COMPLETE TEXAS - LOUISIANA STATISTICS FOR 1906

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DECREASE 17,877,730 BBLS

Southeast Texas Produced 11,542,225 Barrels and Louisiana 7,106,338 Barrels, Making the Total Gulf Coast Output 18,648,563 Barrels, as Compared With 36,526,293 Barrels in 1905—North Texas Produced 1,124,301 Barrels, Against 546,381 Barrels in 1905—Consumption of Gulf Coast Crude Was 30,133,499 Barrels—Stocks Jan. 1, 1907, Are Put at 8,515,064 Barrels—Complete Data as to Output and Shipments.

TEXAS AND LOUISIANA OIL FIELDS IN 1906.

(Barrels.)

Gulf Coast Production.

	1906	1905
Southeast Texas	11,542,225	27,615,877
Louisiana	7,106,338	8,910,416
Total Gulf coast	18,648,563	36,526,293

North Texas Production.

	1906	1905
Corsicana	336,387	311,554
Powell	675,842	132,866
Henrietta	111,072	101,661
Other districts	1,000	300
Total North Texas	1,124,301	546,381

ENTIRE TEXAS PRODUCTION.

	1906	1905
Southeast Texas	11,542,225	27,615,877
North Texas	1,124,301	546,381
Total Texas	12,666,526	28,162,258

TEXAS AND LOUISIANA PRODUCTION.

	1906	1905
All Texas	12,666,526	28,162,258
Louisiana	7,106,338	8,910,416
Total Tex. & La.	19,772,864	37,032,674

GULF COAST PRODUCTION, CONSUMPTION AND STOCKS.

	Barrels
Stocks Jan. 1, 1906	20,000,000
Production 1906	18,648,563
Available	38,648,563
Requirements	30,133,499
Net stocks Jan. 1, 1907	8,515,064

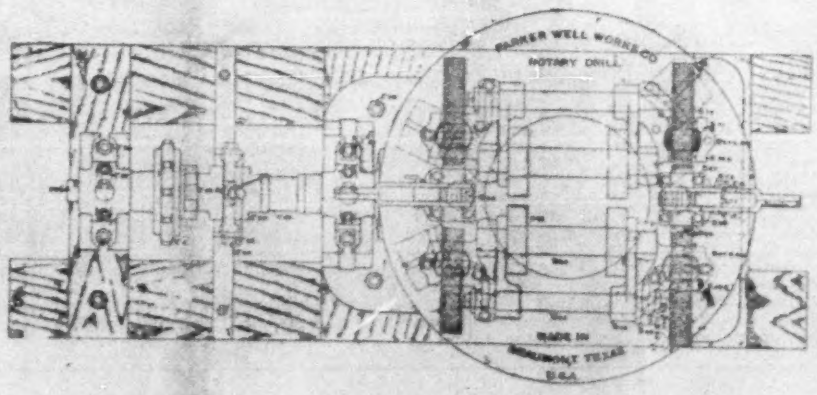
The Gulf Coast oil districts of Texas and Louisiana produced in 1906 only a little more than half the output credited to them in 1905. For the first time in the history of this region a year passed without the discovery of a new and prolific pool. To this fact may be attributed the decrease in production. Tests are going down at different points all along the coast country. Several times in the past six years conditions have been as they are now. Invariably when the output has been at low ebb a new field has been opened up to supply the requirements of the industry. That history will repeat itself in this respect no one doubts. Meanwhile, two of the interests operating large refineries in Southeast Texas are preparing to obtain a supply of high-grade crude from the Indian Territory. Both will lay eight-inch pipe lines from the Glenn pool, south of Tulsa, to connect with their present systems on the Gulf Coast. Some of the pipe has been shipped for one of the lines—that of the Gulf Pipe Line Company. Construction will start on both when the material arrives.

The North Texas districts showed an increase of over 100 per cent in production in 1906 as compared with 1905. Powell, in Navarro County, was responsible for the enlarged output. Both Corsicana and Henrietta, however, showed an improvement over the preceding year.

In the following review of the Texas and Louisiana fields in 1906 all important items of production and consumption are covered in detail, the figures being taken from the tables appearing in this number, all of which were compiled from the actual records, and are accurate.

GULF COAST REGION OF TEXAS AND LOUISIANA.

The Gulf Coast districts of Texas and Louisiana—including Southeast Texas and all of Louisiana—produced 18,648,563 barrels in 1906, against 36,526,293 barrels in 1905, a decrease of 18,877,730 barrels. The average monthly output in 1906 was 1,554,047 barrels, against 3,043,858 barrels in 1905, indicating a decrease of 1,489,811 barrels. The greatest month's production in 1906 was that of May, which is given as 1,890,181 barrels. January is credited with 1,684,386 barrels and December with 1,260,904 barrels, indicating a decrease of 424,382 barrels. The total production of the Gulf Coast districts of Texas and Louisiana in the period from 1901 to 1906, inclusive, is given as 125,497,277 barrels.



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PRODUCTION OF CRUDE IN SOUTHEAST TEXAS DISTRICTS BY MONTHS IN 1906.

(In barrels of 42 gallons.)

Month	Humble	Batson	Sour Lake	Saratoga	Spindletop	Dayton	Total
January	413,117.35	214,925.25	222,315.77	152,421.46	75,127.20	14,438.71	1,092,345.74
February	250,730.42	206,941.78	183,379.86	135,517.10	126,079.83	10,221.26	912,870.25
March	256,755.38	206,991.68	191,811.92	169,004.45	115,900.10	8,669.08	949,132.61
April	285,626.83	202,409.76	200,741.54	158,289.54	75,552.47	6,569.92	929,190.06
May	359,521.61	212,215.98	194,776.75	206,056.78	96,730.98	9,081.53	1,078,383.63
June	448,871.23	199,287.85	181,379.65	194,326.47	76,905.45	6,090.62	1,106,951.27
July	405,977.81	207,044.85	176,512.78	188,126.54	77,670.16	6,055.20	1,061,387.34
August	306,307.84	202,660.68	151,962.31	183,405.25	70,944.59	5,849.10	921,129.77
September	233,422.81	187,504.18	134,475.49	180,881.81	76,762.56	4,858.72	817,905.57
October	210,749.47	183,319.46	184,551.79	210,674.66	87,714.07	4,759.68	881,769.13
November	209,040.95	170,708.84	154,826.32	202,640.28	94,756.67	4,829.66	836,802.72
December	190,724.06	194,277.72	166,988.84	188,808.24	101,520.93	11,037.25	853,357.04
Totals	3,570,845.76	2,388,288.03	2,143,723.02	2,170,152.58	1,075,755.01	92,460.73	11,441,225.13

Note.—Hoskins Mound produced 100,000 barrels and Matagorda 1,000 barrels, making a grand total output of 11,542,225.13 barrels.

PRODUCTION OF THE JENNINGS DISTRICT, BY FARMS IN 1906.

(Net quantity of oil run from each farm, or tract, in barrels of 42 gallons.)

Month	Arnaudet	Crowley O. & M.	Latreille 40 acres	Valle	Martin	J.-H. O. S. fee simple	Clement	Latreille strip	Total
January	235,067.00	61,373.77	86,628.88	76,590.48	59,467.70	60,412.82	12,500	.....	592,040.65
February	152,028.73	246,741.36	51,449.42	66,997.90	37,419.30	40,619.54	12,500	.....	607,756.25
March	256,171.76	166,827.17	33,809.00	66,036.96	37,594.90	36,925.48	12,500	.....	609,865.27
April	266,839.85	99,503.42	21,461.12	53,370.45	65,568.33	30,018.63	12,500	766.26	550,028.06
May	372,925.86	125,987.65	137,222.50	48,890.60	85,897.51	18,525.02	12,500	9,848.61	811,797.75
June	296,320.51	159,618.43	92,211.44	38,858.09	46,262.97	12,912.70	12,500	32,140.43	690,824.57
July	226,864.95	117,781.39	47,745.88	58,694.97	44,425.79	15,584.34	12,500	17,722.99	541,320.31
August	326,270.39	97,451.93	59,183.11	84,046.51	49,860.77	24,996.01	12,500	26,758.15	681,066.87
September	178,783.34	92,704.03	41,023.16	49,209.38	52,524.87	22,126.35	12,500	27,608.66	476,479.79
October	215,171.03	107,898.64	75,224.07	55,989.07	52,319.36	19,364.68	12,500	16,153.81	554,620.66
November	254,261.91	57,820.02	66,656.02	41,017.91	44,423.51	30,059.74	12,500	22,502.01	529,241.12
December	201,892.00	51,702.80	38,113.82	28,332.41	31,285.38	26,247.35	12,500	16,573.19	406,647.94
Total	2,982,597.42	1,385,410.61	750,728.42	668,034.73	607,050.39	337,792.66	150,000	170,074.11	7,051,688.34

PRODUCTION OF CRUDE PETROLEUM IN SOUTHEAST TEXAS 1901-1906 BY DISTRICTS.

(Barrels of 42 gallons.)

	Spindletop	Sour Lake	Saratoga	Batson	Humble	Dayton	Matagorda	Hoskins Mound	Total S.E.Texas
1901	5,185,883	.....	.....	.....	.....	.....	.....	.....	5,185,883
1902	17,852,308	44,838	.....	.....	.....	.....	.....	.....	17,897,146
1903	8,600,905	8,848,159	.....	4,518	.....	.....	.....	.....	17,453,582
1904	3,433,842	6,442,357	739,239	10,904,737	.....	.....	151,936	.....	21,672,111
1905	1,652,780	3,362,153	3,125,028	3,774,841	15,594,310	60,294	46,471	.....	27,615,877
1906	1,075,755	2,143,723	2,170,153	2,388,288	3,570,844	92,460	1,000	100,000	*11,542,225
Total	37,801,473	20,841,230	6,034,420	17,072,384	19,165,154	152,754	199,407	100,000	101,366,824

*Fractional barrels included.

Note.—Spindletop production for 1901, as given, includes 1,592,770 barrels produced, but not sold that year—the net quantity disposed of being 3,593,113 barrels. Spindletop production for 1902 as given, includes 431,359 barrels produced but not sold that year—the net sales being 17,420,949 barrels. A small quantity of crude produced at Saratoga in 1903 is included in the Sour Lake production.

PRODUCTION OF CRUDE PETROLEUM IN THE GULF COAST DISTRICTS 1901-1906:

(Barrels of 42 gallons.)

	S. E. Texas	Louisiana	Total
1901	5,185,883	.....	5,185,883
1902	17,897,146	548,617	18,445,763
1903	17,453,582	917,771	18,371,353
1904	21,672,111	6,647,311	28,319,422
1905	27,615,877	8,910,416	36,526,293
1906	11,542,225	7,106,338	18,648,563
Totals	101,366,824	24,130,453	125,497,277

Note.—Foregoing covers all oil produced and accounted for in the various districts, including 2,024,129 barrels surplus, which went into storage at Spindletop in 1901 and 1902, and 3,670,000 barrels surplus which went into storage at Jennings in 1904. By "surplus" is meant the quantity of oil produced in a stated year in excess of the amount sold the same year.

SOUTHEAST TEXAS.

Southeast Texas, embracing the Texas Gulf Coast districts, produced 11,542,225 barrels in 1906, against 27,615,877 barrels in 1905, a decrease of 16,073,652 barrels. Up to Jan. 1, 1907, Southeast Texas had produced 101,366,824 barrels. The average monthly output in 1906 was 961,852 barrels, against 2,301,323 barrels in 1905, a decrease of 1,339,471 barrels. The average daily output in 1906 was 31,622 barrels, against 75,659 barrels in 1905, a decrease of 44,037 barrels. The average price paid for Southeast Texas crude in 1906 was 58 cents, against 38 cents in 1905, an increase of 20 cents a barrel.

The decrease in output as compared with

PRODUCTION OF CRUDE PETROLEUM IN ALL DISTRICTS OF TEXAS 1896-1906.

(Barrels of 42 gallons.)

	Corsicana	Powell	Henrietta	South Bosque	North Texas	Southeast Texas	Grand Total
1896	1,450	.....	.....	....	1,450	.....	1,450
1897	65,975	.....	.....	....	65,975	.....	65,975
1898	544,620	.....	.....	....	544,620	.....	544,620
1899	668,483	.....	.....	....	668,483	.....	668,483
1900	829,560	6,479	.....	....	836,039	.....	836,039
1901	763,424	37,121	.....	....	800,545	5,185,833	5,986,428
1902	571,059	46,812	.....	....	617,871	17,897,146	18,515,017
1903	401,817	100,143	.....	....	501,960	17,453,582	17,955,542
1904	374,318	129,329	65,455	....	569,102	21,672,111	22,241,213
1905	311,554	132,866	101,661	300	546,381	27,615,877	28,162,258
1906	336,387	675,842	111,072	1,000	1,124,301	11,542,225	12,666,526
Totals	4,868,647	1,128,592	278,188	1,300	6,276,727	101,366,824	107,643,551

Note.—A small production in Bexar County, McCulloch County and elsewhere in the state, amounting to less than 5,000 barrels in the period from 1896 to 1906, inclusive, is not included in the foregoing table.

PRODUCTION OF CRUDE PETROLEUM IN LOUISIANA 1902-1906 BY DISTRICTS.

(Barrels of 42 gallons.)

	Jennings	Welsh	Anse la Butte	Caddo	Total Louisiana
1902	548,617	.....	.....	....	548,617
1903	892,609	25,162	.....	....	917,771
1904	6,611,419	35,892	.....	....	6,647,311
1905	8,891,416	10,000	9,000	....	8,910,416
1906	7,051,688	35,000	15,000	4,650	7,106,338
Totals	23,995,749	106,054	24,000	4,650	24,130,453

Note.—Jennings' production for 1904, as given, includes 3,670,000 barrels which was produced but not sold that year. The net Jennings production (quantity sold) in 1904 was 2,941,419 barrels.

VESSEL SHIPMENTS BY GULF REFINING COMPANY FROM PORT ARTHUR IN 1906.

(In barrels of 42 gallons.)

Month	Solar oil	Refined oil	Reduced crude	Lubricating oils	Asphalt	Asphaltum oil	Totals	Crude oil	Grand total all grades
January	141,778	26,123	51,571	27,370	2,631	....	249,473	57,748	307,221
February	144,424	10,014	99,906	21,583	7,394	3,078	286,399	73,291	359,690
March	138,297	81,386	6,642	29,711	9,241	2,587	267,864	103,333	371,197
April	98,470	67,742	53,340	10,116	2,736	4,894	237,298	200,350	437,648
May	72,862	25,020	75,212	19,754	12,579	2,555	207,982	157,186	365,168
June	138,966	79,426	6,191	45,441	12,582	7,631	290,237	166,611	456,848
July	163,296	1,521	2,238	28,843	2,478	12,163	210,539	289,403	499,942
August	145,888	30,667	76,643	17,363	10,829	4,695	286,085	222,731	508,816
September	50,968	69,553	4,093	6,792	12,344	5,689	149,439	202,735	352,174
October	82,724	35,838	71,937	30,535	1,627	2,023	224,684	82,643	307,327
November	137,584	8,048	9,146	23,879	5,010	4,068	187,735	212,695	400,430
December	179,110	23,357	79,597	14,129	10,623	4,341	311,157	102,995	414,152
Totals	1,494,367	458,695	536,516	275,516	90,074	53,724	2,908,892	1,871,721	4,780,613

ALL VESSEL SHIPMENTS BY THE TEXAS COMPANY IN 1906.

(From Port Arthur dock. Barrels of 42 gallons.)

Month	Crude	Other grades	Grand total all grades
January	48,641	95,341	143,982
February	79,285	302	79,587
March	72,708	24,729	97,437
April	84,687	27,344	112,031
May	181,874	62,604	244,478
June	224,758	.....	224,758
July	129,620	13,552	143,172
August	33,467	27,722	61,189
September	197,955	96,067	294,022
October	135,691	.....	135,691
November	91,277	109,533	200,810
December	86,173	36,483	122,656
Totals	1,366,136	493,677	1,859,813

TOTAL SHIPMENTS OF CRUDE AND REFINERY PRODUCTS IN 1906.

(From Port Arthur and Sabine.)

Month	Crude	Barrels Refinery products	Total
January	425,114	393,752	818,866
February	574,631	395,005	969,636
March	571,524	342,181	913,705
April	462,440	288,306	750,746
May	566,240	363,528	929,768
June	657,105	435,780	1,092,885
July	666,308	309,396	975,704
August	452,377	369,813	822,190
September	606,982	341,394	948,376
October	327,855	357,540	685,395
November	437,216	322,381	759,597
December	475,836	602,006	1,077,842
Totals	6,223,628	4,521,082	10,744,710

1905 may be attributed to the fact that no new production of importance was developed during the year, and that all the fields were on a pumping basis in 1906, whereas Humble was at its zenith as a gusher proposition in 1905, with a net output of 15,594,310 barrels. In 1906 Humble produced 3,570,844 barrels, indicating a decrease of 12,023,466 barrels, as compared with 1905. The average monthly output of this district in 1906 was 297,570 barrels, against 1,299,525 barrels in 1905, a decrease of 1,001,955 barrels. The average daily output in 1906 was 9,783 barrels, against 42,726 barrels in 1905, a decrease of 32,943 barrels. The output in January, 1906, was 413,117 barrels against 190,724 barrels, a decrease of 222,393 barrels. The contract price at Humble in January was 35 cents, and in December 75 cents, an increase of 40 cents a barrel. The total output of Humble, 1905-1906, is recorded as 19,165,164 barrels.

Batson was second in production in the Texas Gulf Coast districts in 1906, with an output of 2,388,288 barrels, as compared with 3,774,841 barrels in 1905, a decrease of 1,386,553 barrels. The average monthly production in 1906 was 199,024 barrels, against 314,570 barrels in 1905, a decrease of 115,546 barrels. The average daily production in 1906 was 6,543 barrels, against 10,342 barrels in 1905, a decrease of 3,799 barrels. The output did not vary to any great extent in this district throughout the year, the January production being 214,925 barrels, and that of December 194,277 barrels, a decrease of 20,648 barrels. The contract market at Batson in January was 40 cents for light crude, and in December 75 cents for the same grade. Batson's total output, 1903-1906, is given as 17,072,384 barrels.

VESSEL SHIPMENTS BY SECURITY OIL COMPANY IN 1906.

(From Sabine docks in barrels of 42 gallons.)

Month	Gas oil	Red oil dist.	Total	Crude oil	Grand total all grades
January	48,938	.....	48,938	62,552	111,490
February	108,304	.....	108,304	117,235	225,539
March	49,588	.....	49,588	96,104	145,692
April	.....	23,664	23,664	.....	23,664
May	92,942	.....	92,942	.....	92,942
June	97,826	47,717	145,543	13,862	159,405
July	85,305	.....	85,305	.....	85,305
August	26,334	29,675	56,006	.....	56,006
September	95,888	.....	95,888	.....	95,888
October	97,697	.....	97,697	.....	97,697
November	32,711	27,561	60,272	.....	60,272
December	180,592	73,774	254,366	174,465	428,831
Totals	916,125	202,388	1,118,513	464,218	1,582,731

ALL VESSEL SHIPMENTS OF CRUDE OIL FROM PORT ARTHUR AND SABINE IN 1906.

(In barrels of 42 gallons)

FROM PORT ARTHUR.

Month	Gulf Refg. Co.	The Texas Company	National O.&P.L.Co.	Higgins O.&F.Co.	Total
January	57,748	48,641	26,064	*42,152	174,605
February	73,291	79,285	68,736	*21,190	242,502
March	103,333	72,708	42,660	*43,281	261,982
April	200,350	84,687	.....	.....	285,037
May	157,186	181,874	.....	.....	339,060
June	166,611	224,758	.....	.....	391,369
July	289,403	129,620	.....	.....	419,023
August	222,731	33,467	.....	.....	256,198
September	202,735	197,955	.....	.....	400,690
October	82,643	135,691	.....	.....	218,334
November	212,695	91,277	.....	.....	303,972
December	102,995	86,173	.....	.....	189,168
Totals	1,871,721	1,366,136	137,460	106,623	3,481,940

*Loaded by the National Oil & Pipe Line Company for Higgins Oil & Fuel Company.

FROM SABINE.

Month	Higgins O.&F.Co.	Sun Co.	Security Oil Co.	Total
January	95,636	92,321	62,552	250,509
February	121,456	93,438	117,235	332,129
March	122,635	90,803	96,104	309,542
April	75,970	101,433	.....	177,403
May	126,101	101,079	.....	227,180
June	129,180	122,694	13,862	265,736
July	151,915	95,370	.....	247,285
August	99,018	97,161	.....	196,179
September	70,863	135,429	.....	206,292
October	11,297	98,224	.....	109,521
November	16,203	117,041	.....	133,244
December	6,659	105,544	174,465	286,668
Totals	1,026,933	1,250,537	464,218	2,741,688

ALL VESSEL SHIPMENTS OF OIL OTHER THAN CRUDE FROM PORT ARTHUR AND SABINE IN 1906.

(In barrels of 42 gallons.)

Month	From Port Arthur: Gulf Refg. Co.	From Port Arthur: The Texas Company	From Port Arthur: Total	From Sabine: Security Oil Co.	Grand Total
January	249,473	95,341	344,814	48,938	393,752
February	286,399	302	286,701	108,304	395,005
March	267,864	24,729	292,593	49,588	342,181
April	237,298	27,344	264,642	23,664	288,306
May	207,982	62,604	270,586	92,942	363,528
June	290,237	.....	290,237	145,543	435,780
July	210,539	13,552	224,091	85,305	309,396
August	286,085	27,722	313,807	56,006	369,813
September	149,439	96,067	245,506	95,888	341,394
October	224,684	.....	224,684	97,697	322,381
November	187,735	109,533	297,268	60,272	357,540
December	311,157	36,483	347,640	254,366	602,006
Totals	2,908,892	493,677	3,402,569	1,118,513	4,521,082

Saratoga is third in point of output in 1906, with 2,170,152 barrels to its credit, against 3,125,028 barrels in 1905, a decrease of 954,976 barrels. The average monthly output in 1906 was 180,846 barrels, against 260,419 barrels in 1905, a decrease of 79,573 barrels. The average daily output in 1906 was 5,942 barrels, against 8,567 in 1905, a decrease of 2,625 barrels. The largest month's output was that of October, 210,674 barrels. The output in January was 152,421 barrels, against 188,808 barrels in December, an increase of 36,381 barrels. This district gives every indication of largely increasing its output in 1907. Many operators contend that it will develop a gusher sand of the same regularity of formation and productiveness as that found in the other districts. The market for Saratoga crude in January was 35 cents, and in December 75 cents, an increase of 40 cents. Up to Jan. 1, 1907, Saratoga had produced 6,034,420 barrels.

Sour Lake, which is fourth in point of production, is credited with 2,143,723 barrels in 1906, against 3,362,153 barrels in 1905, a decrease of 1,218,430 barrels. The average monthly output in 1906 was 178,644 barrels, against 280,179 barrels in 1905, a decrease of 101,535 barrels. The average daily output in 1906 was 5,874 barrels, against 9,212 barrels in 1905, a decrease of 3,338 barrels. The largest month's output was that of January, 222,315 barrels. The December output was 166,988 barrels, indicating a decrease of 55,327 barrels. The only development of importance during the year was the completion of several wells on The Texas Company's farm, which started off at 1,000 to 1,500 barrels a day, yielding 26-gravity (Beaume) oil. These wells have settled down to pumpers of 400 to 500 barrels' capacity. The price at Sour Lake in January was 45 cents, and in December 75 cents, indicating an increase of 30 cents. Sour Lake's total production up to Jan. 1, 1907, is given as 20,841,230 barrels.

That Spindletop is still a "live one" is shown by the record of that field's 1906 output, 1,075,755 barrels, as against 1,652,780 barrels in 1905, a decrease of 577,025 barrels. The average monthly output in 1906 was 89,646 barrels, against 137,732 barrels in 1905, a decrease of 48,086 barrels. The average daily output in 1906 was 2,947 barrels, against 4,528 barrels in 1905, a decrease of 1,581 barrels. The January output was 75,127 barrels, and that of December, 101,520 barrels, indicating an increase of 26,393 barrels. The smallest month's output was that of August, 70,944 barrels. There was a steady improvement beginning in September and continuing up to the end of the year. A well was completed by the Guffey Company at Spindletop early in the present month (January, 1907), which started off at 650 barrels, and is now doing 450 barrels. The price of Spindletop oil in January, 1906, was 52 cents, against 75 cents in December, an increase of 23 cents. The total output of the Spindletop field to Jan. 1, 1907, is given as 37,801,473 barrels.

Dayton produced 92,460 barrels in 1906, against 60,294 barrels in 1905, an increase of 32,166 barrels. The average monthly output in 1906 was 7,705 barrels, against 15,073 barrels in 1905 (first production recorded in September, 1905), a decrease of 7,368 barrels. The average daily output in 1906 was 253 barrels, against 494 barrels in 1905, a decrease of 241 barrels. Dayton was not classed among the producing districts until September, 1905. Development there has failed to disclose a productive deep sand. The January, 1906, output was 14,438 barrels, against 11,037 barrels in December, a decrease of 3,401 barrels. In October the output was only 4,759 barrels. The market in January, 1906, was 29 cents for heavy and 34 cents for light crude, and in December it was 65 cents for heavy and 70 cents for light, indicating an advance of 36 cents.

Hoskins Mound, in Brazoria County, is credited with an output of 100,000 barrels in 1906, all of which came from one well, the Mound Oil Company's No. 2. This well was completed in October, 1905, at a depth of 582 feet, and showed a capacity of about 140 barrels an hour. A four-inch pipe line was laid from the mound to the Brownsville railroad at Danbury, nine and one-half miles north of the field, and something over 75,000 barrels of oil went through the line during the year. The No. 2 well is now making about 200 barrels a day. The Mound Oil Company is drilling on its No. 10, but, according to report, has failed to find a deep sand or to locate the sand in which the No. 2 well is completed. There is no reason to doubt that a prolific pool will eventually be developed in this locality.

At Matagorda only one well is producing, the output being about ten barrels a day. The Big Hill Oil & Fuel Company is testing the field thoroughly. In 1905 Matagorda produced 46,471 barrels, and in 1904, 151,936 barrels, making the total output to date 199,407 barrels.

ALL RAIL SHIPMENTS OF SOUTHEAST TEXAS CRUDE IN 1906.

(In barrels of 42 gallons)

Month	Humble	Trice	Sour Lake	B'mont	Saratoga	Total
January	239,118	174,234.65	54,450	11,525	71,410.41	550,738.06
February	236,907	119,765.80	59,953	7,445	190,625.94	614,696.74
March	216,721	81,664.85	93,095	6,310	176,481.86	574,272.71
April	140,152	82,501.79	196,043	6,725	213,462.97	638,884.76
May	167,666	129,260.69	104,864	7,989	242,019.04	651,798.73
June	173,846	139,216.76	69,721	7,760	179,113.18	569,656.94
July	131,862	116,355.22	118,041	4,204	147,154.74	514,616.96
August	175,854	97,276.46	126,795	5,015	104,148.93	509,091,39
September	191,945	126,265.99	171,729	6,229	195,417.86	691,586.85
October	196,016	96,711.76	238,591	4,231	174,236.87	709,786.63
November	220,823	105,609.74	137,143	3,918	164,606.00	632,099.74
December	181,662	141,403.03	121,098	6,580	292,430.25	743,173.28
Totals	2,272,572	1,410,266.74	1,488,523	77,933	2,151,108.05	7,400,402.79

Note.—In addition to the foregoing, about 100,000 barrels of crude moved from Hoskins Mound in Brazoria County, from racks on the Brownsville road at Danbury

ALL RAIL SHIPMENTS OF JENNINGS CRUDE IN 1906.

(In barrels of 42 gallons)

Month	Sunset Lines			K. C. S. Ry.	
	Jennings	Mermentau	Egan	Lake Charles	Total
January	440,477	181,076	72,833	.....	694,386
February	413,453	171,777	79,402	.....	664,632
March	445,954	153,527	201,837	37,413.66	838,732
April	456,298	95,208	52,028	171,846.57	775,381
May	460,729	82,968	156,761	201,004.31	901,462
June	362,145	53,274	293,674	188,023.04	897,116
July	407,157	156,959	248,166	210,538.70	1,022,821
August	360,996	148,478	208,363	129,177.54	787,015
September	375,954	76,579	119,513	14,004.75	586,051
October	320,645	145,782	98,496	13,209.80	578,133
November	243,312	26,817	60,976	56,793.02	387,898
December	291,344	24,450	48,034	63,130.10	426,958
Totals	4,518,464	1,316,895	1,640,083	1,085 141.39	8,560,585
Transfers of Jennings crude to Texas storage in 1906					2,302,906
Net rail movement of crude in 1906					6,257,679

TRANSFERS OF JENNINGS CRUDE TO TEXAS STORAGE IN 1906.

(In barrels of 42 gallons)

Month	Gladys	Sabine	Beaumont	Garrison	Total
January	69,473	83,145	.....	.....	152,618
February	29,772	76,222	.....	.....	105,994
March	86,013	108,616	.....	34,009	228,638
April	146 776	118,673	.....	171,847	437,296
May	94,230	100,749	.....	201,556	396,535
June	8,088	144,145	3,399	166,390	322,022
July	11,513	152,054	.....	153,656	317,223
August	44,370	112,568	.....	68,817	225,755
September	.....	40,851	.....	13,290	54,141
October	.....	11,485	13,085	10,665	35,235
November	.....	24,034	.....	.....	24,034
December	.....	3,260	155	.....	3,415
Totals	490,235	975,802	16,639	820,230	2,302,906

LOUISIANA.

Louisiana produced 7,106,338 barrels of oil in 1906, a decrease of 1,804,078 barrels as compared with 1905, when the Jennings field was at its best. In the period from 1902 to 1906, inclusive, Louisiana is credited with 24,139,453 barrels.

Of the total 1906 output Jennings produced 7,051,688 barrels, as against 8,885,216 barrels in 1905, a decrease of 1,833,528 barrels. The average monthly production of this district in 1906 was 587,640 barrels, against 740,434 barrels in 1905, a decrease of 152,794 barrels. The average daily output was 19,319 barrels, against 24,343 barrels in 1905, a decrease of 5,024 barrels. The output in January, 1906, was 592,040 barrels, and in December, 406,647 barrels, a decrease of 185,393 barrels. The largest month's output was that of May, which was 811,797 barrels. Prices advanced about 200 per cent during the year. The January market was 24 cents at the wells, and the December market 68 to 72 cents. Jennings, up to Jan. 1, 1907, had produced 23,995,749 barrels.

Welsh, Anse la Butte and Caddo, the other producing districts in Louisiana, are credited with 54,650 barrels in 1906, of which Welsh produced 35,000 barrels, Anse la Butte 15,000 barrels and Caddo 4,650 barrels. In 1905 Welsh was credited with 10,000 barrels net output, and Anse la Butte with 9,000 barrels, indicating an increase in these districts in 1906 of 31,000 barrels. No price has been established at Anse la Butte, but the Welsh crude brought 75 cents a barrel throughout the year. In February a four-inch pipe line was completed from the Anse la Butte field to Breaux Bridge, on the Bayou Teche and a branch of the Southern Pacific railroad, two and one-half miles from the field. The deliveries of crude through this line during the year amounted to 15,000 barrels. The only new field opened up in Louisiana in 1906 was Caddo, in Caddo Parish, twenty-five miles north of Shreveport, on the Kansas City Southern railroad, where the Texia Oil Company in October brought in a producer from a depth of nearly 2,200 feet on Pine Island, about two miles east of the railroad. It flowed about 300 barrels a day for a few days and choked up, but was cleaned out, and in December made about 150 barrels a day, flowing naturally. Considerable water comes up w. the oil. The Texia No. 2 is located about 300 feet from the No. 1, is now nearing completion, and an important test, the Harrell No. 1, about one mile north of the first producer, is also down almost to the level of the sand in Texia No. 1. The Louisiana Company has installed a pumping and tankage station and loading racks on the Kansas City Southern railroad at Caddo City, two miles west of the development, and is operating a six-inch line from the field to the station. In December, the Louisiana Company loaded 1,510 barrels of Caddo crude on cars at Caddo City. A quotation of 63 cents at the wells has been posted by the Louisiana Company on Caddo oil. Two and one-half miles west of the Texia No. 1, Savage & Richardson have a well on the Caddo Townsite, which looked as if it would make a producer, but when rigged and pumped it showed more water than oil. Efforts are still being made to convert this well into a producer. Caddo promises to furnish one

of the principal features of Louisiana development in 1907.

NORTH TEXAS.

The North Texas districts produced 1,124,301 barrels in 1906, including the output of South Bosque, which is estimated at 1,000 barrels for the year. Up to Jan. 1, 1907, the North Texas districts had produced 6,276,727 barrels.

In 1905 North Texas was credited with 546,381 barrels, indicating an increase in 1906 of 577,920 barrels, or more than 100 per cent. The Powell field in Navarro County, a few miles east of Corsicana, furnished the bulk of the increase, being credited with 675,842 barrels, as against 132,866 barrels in 1905, an increase of 542,976 barrels, or more than 400 per cent. The monthly average of the North Texas districts in 1906 was 93,692 barrels, against 45,506 barrels in 1905, an increase of 48,186 barrels. The daily average was 3,080 barrels, against 1,497 barrels in 1905, an increase of 1,583 barrels. Powell's January output was 18,079 barrels, and its December output 61,068 barrels, an increase of 42,989 barrels. The largest month was July, which is credited with 78,114 barrels. Up to Jan. 1, 1907, the Powell field had produced 1,128,592 barrels.

Corsicana produced 336,387 barrels in 1906, against 311,554 barrels in 1905, an increase of 24,833 barrels. The average monthly output of Corsicana in 1906 was 28,032 barrels, against 25,963 barrels in 1905, an increase of 2,069 barrels, and the average daily output in 1906 was 921 barrels, against 854 barrels in 1905, an increase of 67 barrels. Corsicana's January output was 28,356 barrels, and its December production 27,619 barrels, a decrease of 737 barrels. The largest month's output was that of Oct. 30,139 barrels. Corsicana is credited with 4,868,647 barrels up to Jan. 1, 1907.

For the first time in the history of the Navarro County fields their combined output was more than 1,000,000 barrels, the exact output being 1,012,229 barrels. The nearest approach to this total, previously recorded, was in 1906, when the combined output was 836,039 barrels, of which Corsicana furnished 829,560 barrels and Powell 6,479 barrels. The year 1906 opened with a market of 89 cents for Corsicana light oil and 50 cents for Powell, heavy oil, and closed with a quotation of $1 for Corsicana and 60 cents for Powell.

Henrietta produced 111,072 barrels in 1906, against 101,661 barrels in 1905, an increase of 9,411 barrels. The average monthly output in 1906 was 9,256 barrels, against 8,471 barrels in 1905, an increase of 785 barrels. The average daily output in 1906 was 304 barrels, against 278 barrels in 1905, an increase of 26 barrels. The total output of the Henrietta field up to Jan. 1, 1907, is given as 278,188 barrels. The Clayco Oil & Pipe Line Company is now drilling a deep test in the Henrietta field, using a combination rotary and standard rig. The intention is to go 2,000 feet, if necessary. On January 12 the hole was 700 feet deep, the formations encountered being similar in all respects to those found in the Cleveland, Okla., field. The price posted by the Corsicana Refining Company for Henrietta crude is 60 cents. The market was between this figure and 65 cents throughout the year.

The South Bosque field in McLennan County is credited with 1,000 barrels output in 1906. At the close of the year three wells were producing, their combined output being twelve barrels a day. One well is drilling, and there is promise of an extension of the proven area in 1907. The oil is light, and desirable for refining. The development in this district is being done by the South Bosque Oil Company.

ALL DISTRICTS IN TEXAS.

The combined output of all districts in Texas in 1906 was 12,666,526 barrels, against 28,162,258 barrels in 1905, a decreease of 15,495,732 barrels. Southeast Texas supplied 11,542,225 barrels of the entire output in 1906, and North Texas 1,124,301 barrels. The production of the state of Texas in the period from 1896, when oil was developed at Corsicana, to 1906, inclusive, is given as 107,643,551 barrels.

PORT MOVEMENT OF CRUDE.

The movement of crude and refinery products from Port Arthur and Sabine amounted to 10,744,710 barrels in 1906, compared with 10,482,797.26 barrels in 1905, indicating an increase of 261,912.74 barrels. Crude constituted 6,223,628 barrels of the total, and refinery products 4,521,082 barrels. Of the crude, 3,481,940 barrels moved from Port Arthur and 2,741,688 barrels from Sabine. Of other grades 3,402,569 barrels went from Port Arthur and 4,521,982 barrels from Sabine. The total port movement of crude as compared with 1905 shows a decrease of 372,078.12 barrels in 1906. The movement of other grades in 1906, compared with 1905, shows an increase of 633,990.86 barrels.

RAIL SHIPMENTS.

Rail shipments of Southeast Texas and Louisiana crude in 1906 amounted to 16,061,997.79 barrels, against 14,033,716.31 barrels in 1905, or an increase of 2,028,281.48 barrels. Of the total, 2,302,906 barrels were transfers of Jennings crude to Texas storage (equivalent to pipe-line transfers), making a net rail movement in 1906 of 13,759,091.79 barrels. Transfers in 1905 amounted to 1,177,462 barrels, making a net rail movement in that year of 12,956,254.31 barrels. The 1906 record therefore shows a net increase of 802,837.48 barrels, compared with 1905. Southeast Texas rail shipments amounted to 7,501,402.79 barrels in 1906, against 7,901,950.31 barrels in 1905, or a decrease of 400,547.52 barrels. Rail shipments of Jennings crude amounted to 8,560,595 barrels in 1906, compared with 6,131,766 barrels in 1905, or an increase of 2,429,829 barrels. Of the Jennings movement, however, 2,302,906 barrels went as transfers to Texas storage, making a net movement of 6,257,679 barrels in 1906, we e 1,177,462 barrels of the 1905 total were transfers, indicating a net movement in that year of 4,954,344 barrels, showing a net increase in rail shipments of Jennings crude in 1906 of 1,303,335 barrels. A movement of 1,000 barrels from Welsh and 1,510 barrels from Caddo is not included in the gross rail shipments of Louisiana crude.

DELIVERIES TO PLAQUEMINE.

Deliveries of Jennings crude to Plaquemine by the Evangeline Oil Company in 1906 amounted to 2,197,673.09 barrels in 1906 against 1,203,848 barrels in 1905, an increase of 993,825 barrels. Deliveries in 1905 however did not begin until May. This oil is used to supply the fuel oil trade along the Mississippi River. During 1906 the Sun Company shipped 88,000 barrels from Plaquemine to Marcus Hook, Pa.

OTHER DELIVERIES.

In 1906 the Higgins Oil & Fuel Company delivered 270,606.66 barrels of crude for consumption in Beaumont and 15,000 barrels of crude was delivered to the Bayou Teche from Anse la Butte, by the Heywood Brothers Oil Corporation. One thousand barrels moved by rail from Welsh and 1,510 barrels by rail from Caddo.

TOTAL NET MOVEMENT.

The total net movement of crude from Texas and Louisiana in 1906 was 22,466,989.54 barrels, which includes port shipments of crude, rail shipments, deliveries to Plaquemine and other items. The total movement in 1905 was put at 20,635,408.43 barrels. The record for 1906, therefore, shows an increase of 1,833,091.11 barrels.

FIELD AND REFINERY CONSUMPTION.

Field consumption of crude for fuel in 1906 was put at 365,000 barrels, that amount being taken from stock tanks. Refinery consumption was estimated at 7,300,000 barrels, or a total of 7,665,000 barrels.

TOTAL REQUIREMENTS.

Total requirements of Gulf Coast crude amounted to 30,133,499.54 barrels, of which 22,468,499.54 barrels constituted rail and port shipments and other deliveries, and 7,665,000 barrels, field and refinery consumption.

PRODUCTION AND REQUIREMENTS.

The gross output of the Gulf Coast region in 1906 was 18,648,563.47 barrels. Stocks of crude on Jan. 1, 1906, were estimated at 20,000,000 barrels. The total available supply of crude in 1906, therefore, was approximately 38,648,563 barrels, against which there were requirements of 30,133,499 barrels, indicating that stocks were reduced from 20,000,000 barrels to approximately 8,515,064 barrels at the end of the year. The average daily requirements over production in 1906 amounted to 81,455.58 barrels.

ITEMS OF CONSUMPTION.

The consumption of Gulf Coast crude is divided between local fuel-oil users in Texas and Louisiana, most of whom obtain their supply by tank car or by barge on the Mississippi River and the various smaller streams, the eastern refineries and gas works, which get it by vessel from Port Arthur and Sabine, and the local refineries in Southeast Texas.

The average quantity consumed daily on the fields for fuel is estimated at 3,000 barrels, not more than one-third of which is supplied from oil which has been recorded as production. The following table gives the average amount received each day in 1906 by the various classes of consumers:

	Bbls.
By fuel consumers, principally in Texas and Louisiana (rail shipments by tank car and barge shipments on the Mississippi River)	44,265
By eastern refineries, gas works and fuel consumers at Atlantic Coast points (vessel shipments from Port Arthur and Sabine)	17,562
By Southeast Texas refineries (Gulf Refining Company, The Texas Company, Security Oil Company and United Oil & Refining Company)	20,000
Field consumption, chargeable to recorded production	1,000
Total	82,827
Daily production	51,092
Shortage daily (oil taken from stock tanks)	31,735

WELLS OPERATING AND AVERAGE DAILY OUTPUT PER WELL.

On Dec. 31, 1906, there were 875 wells in operation in the Gulf Coast region of Texas and Louisiana. Of this number 780 were credited to Southeast Texas and ninety-five to Louisiana. The output of the Gulf Coast region in December was 1,278,121 barrels, Southeast Texas being credited with 860,174 barrels and Louisiana with 417,947 barrels. In North Texas 891 wells were operating on December 31, making the total number in operation in Texas, 1,671, and in both Texas and Louisiana, 1,766.

The average daily output of all Southeast Texas districts at the close of the year was 27,747 barrels, and the average daily output per well, 35.57 barrels. The average daily output of all Louisiana districts in December was 13,841 barrels, and the average daily output per well, 141.9 barrels. The average daily output of the entire Gulf Coast region in December was 41,228 barrels, and the average daily output per well 47.12 barrels.

The average daily output of the Corsicana field was 891 barrels and of the wells, 2 barrels each. The average daily output of the Powell field was 1,953 barrels, and of the wells, 6.17 barrels each.

The average daily output of the Henrietta field was 304 barrels, and of the wells, 2.47 barrels each. The output of all districts in North Texas in December was 97,973 barrels, or at the average rate of 3,160 barrels a day, and 3.54 barrels per well per day.

The output of all Texas districts in December was 958,147 barrels, and the average daily output, 30,907 barrels, or 18.5 barrels per well. The output of all Texas and Louisiana districts in December was 1,376,094 barrels, or at the rate of 44,388 barrels a day, and 25.14 barrels per well.

The following table gives complete data as to wells in operation December 31, output in December, average daily production of each district and average daily production per well in each district:

GULF COAST REGION.

	No. wells operating	Barrels Daily aver. output	Barrels Daily av. per well
Texas Districts.			
Batson	293	6,267	21.39
Humble	175	6,152	35.15
Sour Lake	108	5,386	49.87
Saratoga	108	6,091	56.39
Spindletop	79	3,275	41.45
Dayton	15	356	23.73
Matagorda	1	10	10
Hoskins Mound	1	210	210
Totals	780	27,747	35.57
Louisiana Districts.			
Jennings	83	13,117	158.03
Anse la Butte	4	64	16
Welsh	7	150	21.43
Caddo	1	150	150
Totals	95	13,481	141.9
Total Gulf Coast	875	41,228	47.12
NORTH TEXAS.			
Corsicana (light oil)	449	891	2
Powell (heavy oil)	316	1,953	6.17
Henrietta (light oil)	123	304	2.47
S. Bosque (light oil)	3	12	4
Totals	891	3,160	3.54
Total in Texas	1,671	30,907	18.5
Total in Texas & La.	1,766	44,388	25.14

FUEL OIL CONSUMPTION ON THE FIELDS.

The record of production in Texas and Louisiana in 1906, as given in this number of the JOURNAL, represents the actual quantity of oil run from producers' settling tanks during the year; in other words, the net crude receipts. All of the output is accounted for in these figures, excepting that portion taken by producers from their own tanks to supply fuel requirements on the fields. No data is available covering this item of consumption, and it can only be estimated. Some of the companies obtain their field requirements from stock tanks, and all fuel used at pumping stations is supplied from oil which has been run and credited as production. In such cases the quantity consumed must be charged, along with the other items of consumption, against the crude receipts. In the summary of production and consumption appearing on another page the quantity of crude used on the field for fuel in 1905 is given as 365,000 barrels, or at the rate of 1,000 barrels a day. This is intended to represent only the amount properly chargeable against production as included in the runs, or crude receipts. Estimates make the entire field consumption last year 1,100,000 barrels, indicating a daily average of about 3,000 barrels. Figuring on this basis, the amount consumed on the field, of which no account is taken in the tables of production and consumption, was perhaps 730,000 barrels, or at the rate of 2,000 barrels a day. Whatever the amount, it represents production in addition to that accounted for in the statement of pipe-line runs. Now that all the Gulf Coast fields are on a pumping basis, the item of field consumption is a considerable one. A single concern at Jennings operates a battery of boilers which burn 500 to 600 barrels of fuel oil daily. The entire consumption on the Jennings field is put at 1,500 barrels a day. On December 31 there were 875 wells operating and seventy-two wells drilling in the Gulf Coast region. Excepting at Humble, where gas is largely employed, crude oil is used to fire all field boilers.

WILKINS NO. 2 WELL HAS PRODUCED 2,674,121 BARRELS OF OIL.

The record of the Wilkins No. 2 well at Jennings probably is without a parallel in the history of oil production. It had to its credit up to and including Dec. 31, 1906, an out put of 2,674,121 barrels.

This well was completed on Nov. 20, 1904 and for eighteen months flowed naturally. It showed a capacity of 1,000 barrels an hour at the outset, filling a 1,200-barrel tank in just fifty-nine minutes. It was not possible to provide storage facilities for its full capacity at first, and it was choked down to 15,000 barrels a day. During the first forty-one days it made 512,000 barrels, or at the rate of 12,500 barrels a day. During the year 1905 it produced approximately 1,786,985 barrels, or at the rate of 4,896 barrels a day. In 1906 it produced 375,135 barrels, or at the rate of 1028 barrels a day. In the 771 days from Nov. 20, 1904, to Dec. 31, 1906, it averaged 3,468 barrels a day. At intervals the well has been out of commission—occasionally for several days at a time—so that its actual output per day has been considerably above the figure named. Until about six months ago it flowed naturally. Since then it has been operated with compressed air. The production has gradually declined during the last few months. During January, 1906, the output was 63,734 barrels, or at the rate of 2,000 barrels a day, while in December it was 9,759 barrels, or at the rate of a little more than 300 barrels a day.

Twice, when it looked as if the well had stopped flowing, it was rigged for pumping. On each occasion the agitation caused by putting in the tubing and rods caused it to start gushing, with the result that the rods were blown out of the hole and through the top of the derrick.

The Wilkins No. 2 is located on the Valle tract, hardly more than an acre in extent, which was leased by the Wilkins Company in 1904. Initial efforts to get oil on the property failed, and the Wilkins Company made a deal with the Heywood Oil Company, by which the latter concern agreed to drill the No. 2 well and take a part interest in the output. The well was completed at a depth of 1,912 feet. It is equipped with strainer, and is a six-inch hole. Jennings has several very productive wells besides the Wilkins No. 2. The old Bass & Benckenstein No. 1, afterward the Evangeline No. 1, has more than 2,000,000 barrels to its credit, and the Heywood Oil Company No. 1 on the Arnaudet has produced nearly 2,000,000 barrels.

Following is the record of the Wilkins No. 2 by months in 1906:

Month	Barrels
January	63,734.97
February	57,736.31
March	49,643.86
April	36,265.48
May	27,239.67
June	18,098.30
July	44,366.07
August	26,660.24
September	16,925.22
October	13,982.96
November	10,723.47
December	9,759.38
Total	375,135.33

Figuring the total output of the Jennings field up to Jan. 1, 1907, at 24,000,000 barrels, it would appear that the Wilkins No. 2 has furnished more than one-tenth of the entire production of the district.

SUMMARY OF TEXAS-LOUISIANA FOR 1906.

Production of Districts in Southeast Texas.

HUMBLE.

Month.	Barrels 1906	Barrels 1905
January	413,117.35	152,653
February	250,730.42	495,847
March	256,755.38	989,432
April	285,626.83	1,241,490
May	359,521.61	2,278,835
June	448,871.23	2,798,162
July	405,977.81	2,560,679
August	306,307.84	1,834,662
September	233,422.81	1,695,895
October	210,749.47	857,753
November	209,040.95	699,750
December	190,724.06	598,152
Totals	3,570,845.76	15,594,310
Total decrease in 1906		12,023,466
Monthly average in 1905		1,299,525
Monthly average in 1906		297,570
Decrease monthly average 1906		1,001,955
Daily average in 1905		42,726
Daily average in 1906		9,783
Decrease daily average 1906		32,943

BATSON.

Month.	Barrels 1906	Barrels 1905
January	214,925.25	363,712
February	206,941.78	317,794
March	206,991,68	344,851
April	202,409.76	392,875
May	212,215.98	371,974
June	199,287.85	337,659
July	207,044.85	340,492
August	202,660,68	301,751
September	187,504.18	269,229
October	183,319.46	255,541
November	170,708.84	250,426
December	194,277.72	228,537
Totals	2,388,288.03	3,774,841
Total decrease in 1906		1,386,553
Monthly average in 1905		314,570
Monthly average in 1906		199,024
Decrease monthly average 1906		115,546
Daily average in 1905		10,342
Daily average in 1906		6,543
Decrease daily average 1906		3,799

SARATOGA.

Month	Barrels 1906	Barrels 1905
January	152,421.46	535,178
February	135,517.10	356,398
March	169,004.45	334,829
April	158,289.54	230,521
May	206,056.78	303,288
June	194,326.47	297,912
July	188,126.54	193,907
August	183,405.25	234,183
September	180,881.81	187,177
October	210,674.66	163,500
November	202,640.28	159,146
December	188,808.24	134,989
Totals	2,170,152.58	3,125,028
Total decrease in 1906		954,976
Monthly average in 1905		260,419
Monthly average in 1906		180,846
Decrease monthly average 1906		79,573
Daily average in 1905		8,567
Daily average in 1906		5,942
Decrease daily average in 1906		2,625

SOUR LAKE.

Month.	Barrels 1906	Barrels 1905
January	222,315.77	574,414
February	183,379.86	254,669
March	191,811.92	341,024
April	200,741.54	337,756
May	194,776.75	332,459
June	181,379.65	248,258
July	176,512.78	224,659
August	151,962.31	217,706
September	134,475.49	191,841
October	184,551.79	197,619
November	154,826.32	209,515
December	166,988.84	232,233
Totals	2,143,723.02	3,362,153
Total decrease in 1906		1,218,430
Monthly average in 1905		280,179
Monthly average in 1906		178,644
Decrease monthly average 1906		101,535
Daily average in 1905		9,212
Daily average in 1906		5,874
Decrease daily average 1906		3,338

SPINDLETOP.

Month.	Barrels 1906	Barrels 1905
January	75,127.20	175,639
February	126,079.83	151,711
March	115,900.10	170,247
April	75,552.47	144,489
May	96,730.98	139,907
June	76,995.45	132,584
July	77,670.16	125,661
August	70,944.59	139,725
September	76,762.56	114,397
October	87,714.07	113,836
November	94,756.67	110,400
December	101,520.93	143,184
Totals	1,075,755.01	1,652,780
Total decrease in 1906		577,025
Monthly average in 1905		137,732
Monthly average in 1906		89,646
Decrease monthly average 1906		48,086
Daily average in 1905		4,528
Daily average in 1906		2,947
Decrease daily average 1906		1,581

DAYTON.

Month.	Barrels 1906	Barrels 1905
January	14,438.71	.....
February	10,221.26	.....
March	8,669.08	.....
April	6,569.92	.....
May	9,081.53	.....
June	6,090.62	.....
July	6,055.20	.....
August	5,849.10	.....
September	4,858.72	9,682.00
October	4,759.68	18,723.50
November	4,829.66	15,447.03
December	11,037.25	16,441.71
Totals	92,460.73	60,294.24
Total increase in 1906		32,166.00
Average four months 1905		15,073.00
Monthly average 1906		7,705.00
Decrease average in 1906		7,368.00
Daily average in 1905		494.00
Daily average in 1906		253.00
Decrease daily average 1906		241.00

OTHER SOUTHEAST TEXAS DISTRICTS.

District	Barrels 1906	Barrels 1905
Hoskins Mound	100,000	.....
Matagorda	1,000	46,471
Totals	101,000	46,471
Total increase in 1906		54,529

TOTAL PRODUCTION OF SOUTHEAST TEXAS.

Month	Barrels 1906	Barrels 1905
January	1,092,345.74	1,801,596
February	912,870.25	1,570,419
March	949,132.61	2,180,383
April	929,190.06	2,347,131
May	1,078,383.63	3,426,463
June	1,106,951.27	3,814,575
July	1,061,387.34	3,445,398
August	921,129.77	2,719,027
September	817,905.57	1,868,221
October	881,769.13	1,606,972
November	836,802.72	1,444,684

December	853,357.04	1,344,537
Miscellaneous	*101,000.00	**46,471
Totals	11,542,225.13	27,615,877
Total decrease in 1906		16,073,652
Monthly average in 1905		2,301,323
Monthly average in 1906		961,852
Decrease monthly average 1906		1,339,470
Daily average in 1905		75,660
Daily average in 1906		31,622
Decrease daily average 1906		44,038

*Hoskins Mound and Matagorda.
**Matagorda.

Production of Crude in All Districts in Louisiana.

JENNINGS.

Month	1906 (Barrels)	1905 (Barrels)
January	592,040.65	876,696
February	607,756.25	778,852
March	609,865.27	979,019
April	550,028.06	768,686
May	811,797.75	623,283
June	690,824.57	764,392
July	541,320.31	661,064
August	681,066.87	731,820
September	476,479.79	632,351
October	554,620.66	747,636
November	529,241.12	661,682
December	406,647.04	685,544
Totals	7,051,688.34	*8,910,416
Jennings net production in 1905		8,885,216
Total decrease in 1906		1,833,528
Monthly average in 1905		740,434
Monthly average in 1906		587,640
Decrease monthly average 1906		152,794
Daily average in 1905		24,343
Daily average in 1906		19,319
Decrease daily average in 1906		5,024

*Includes 10,000 barrels produced at Welsh and 9,000 barrels produced at Anse la Butte.

OTHER DISTRICTS.

District	1906 (Barrels)	1905 (Barrels)
Welsh	35,000	10,000
Anse la Butte	15,000	9,000
Caddo	4,650	.....
Totals	54,650	19,000
Total increase in 1906		35,650

TOTAL LOUISIANA PRODUCTION.

District	1906 (Barrels)	1905 (Barrels)
Jennings	7,051,688.34	8,891,416
Other districts	54,650.00	19,000
Totals	7,106,338.34	8,910,416
Total decrease in 1906		1,804,078

Total Production of Southeast Texas and Louisiana.

Month	1906 (Barrels)	1905 (Barrels)
January	1,684,386.39	2,677,692
February	1,520,626.50	2,349,271
March	1,558,997.88	3,159,393
April	1,479,218.12	3,115,817
May	1,890,181.38	4,049,746
June	1,797,775.84	4,578,967
July	1,602,707.65	4,106,462
August	1,602,196.64	3,450,847
September	1,294,385.36	2,500,572
October	1,436,389.79	2,354,608
November	1,366,043.84	2,106,366
December	1,260,004.08	2,039,081
Miscellaneous	*155,650.00	37,471
Totals	18,648,563.00	36,526,293
Total decrease in 1906		18,877,730
Monthly average in 1905		3,043,858
Monthly average in 1906		1,554,047
Decrease monthly average 1906		1,489,811
Daily average in 1905		100,072
Daily average in 1906		51,092
Decrease daily average in 1906		48,980

*Hoskins Mound, Matagorda, Welsh, Anse la Butte and Caddo.

Movement of Southeast Texas Oil in 1906-1905.

PORT SHIPMENTS OF CRUDE.

Month	1906 (Barrels)	1905 (Barrels)
January	425,114	620,231.96
February	574,631	381,549.37
March	571,524	610,894.21
April	462,440	607,240.84
May	566,240	868,650.67
June	657,105	659,366.52
July	666,308	488,894.81
August	452,377	471,469.96
September	606,982	435,074.64
October	327,855	525,456.68
November	437,216	441,531.20
December	475,836	485,345.26
Totals	6,223,628	6,595,706.12
Total decrease in 1906		372,078.12
Monthly average in 1905		549,642.17
Monthly average in 1906		518,635.00
Decrease monthly av. 1906		31,007.17
Daily average in 1905		18,070.43
Daily average in 1906		17,325.00
Decrease daily average 1906		745.43

PORT SHIPMENTS OTHER GRADES.

Month	1906 (Barrels)	1905 (Barrels)
January	393,752	234,252.66
February	395,905	147,593.87
March	342,181	300,225.33
April	288,306	346,593.46
May	363,528	222,239.00
June	435,780	221,630.13
July	309,396	321,752.21
August	369,813	417,805.97
September	341,394	173,330.57
October	357,540	288,530.43
November	322,381	464,543.3.
December	602,006	448,594.20
Totals	4,521,082	3,887,091.14
Total increase in 1906		633,990.86
Monthly average in 1906		376,756.83
Monthly average in 1905		323,924.26
Increase monthly aver. 1906		52,832.57
Daily average in 1906		12,386.52
Daily average in 1905		10,649.56
Increase daily average 1906		1,736.96

PORT SHIPMENTS ALL GRADES.

Month	1906 (Barrels)	1905 (Barrels)
January	818,866	854,484.62
February	969,636	529,143.24
March	913,705	911,119.54
April	750,746	953,834.30
May	929,768	1,088,889.67
June	1,092,885	880,996.65
July	975,704	819,647.02
August	822,190	889,275.95
September	948,376	908,405.21
October	685,395	813,897.11
November	759,597	906,074.51
December	1,077,842	933,939.46
Totals	10,744,710	10,482,797.26
Total increase in 1906		261,912.74
Monthly average in 1906		895,392.50
Monthly average in 1905		873,566.43
Increase monthly aver. 1906		21,826.07
Daily average in 1906		29,437.56
Daily average in 1905		28,719.99
Increase daily average 1906		717.57

RAIL SHIPMENTS OF SOUTHEAST TEXAS CRUDE.

Month	1906 (Barrels)	1905 (Barrels)
January	550,738.06	483,125.19
February	614,696.74	419,717.33
March	574,272.71	593,521.93
April	638,884.76	708,896.96
May	651,798.73	676,478.50
June	569,656.94	752,583.52
July	514,616.96	820,544.08
August	509,091.39	832,541.35
September	691,586.85	803,052.40
October	709,786.63	760,955.83
November	632,099.74	505,985.72
December	743,173.28	524,647.50
Miscellaneous	*101,000.00	**20,400.00
Totals	7,501,402.79	7,901,950.31
Total decrease in 1906		400,547.52
Monthly average in 1905		658,495.85
Monthly average in 1906		625,116.89
Decrease monthly aver. 1906		33,378.96
Daily average in 1905		21,649.18
Daily average in 1906		20,551.79
Decrease daily average 1906		1,097.39

*Hoskins Mound and Matagorda.
**Matagorda.

DELIVERIES OF CRUDE OIL IN BEAUMONT.

(By Higgins Oil & Fuel Company.)

Year	Barrels
1906	270,606.66

TOTAL DELIVERIES OF SOUTHEAST TEXAS CRUDE.

Month	1906 (Barrels)	1905 (Barrels)
January	990,080.45	1,103,357.15
February	1,212,086.08	801,266.70
March	1,166,729.65	1,204,416.14
April	1,119,857.76	1,315,637.80
May	1,242,555.88	1,545,129.17
June	1,254,615.30	1,411,950.04
July	1,214,345.14	1,309,438.89
August	992,058.46	1,304,011.31
September	1,329,371.70	1,238,127.04
October	1,060,011.75	1,286,412.51
November	1,086,595.86	947,516.92
December	1,235,329.42	1,009,992.76
Miscellaneous	101,000.00	.....
Totals	13,995,637.45	14,477,256.43
Total decrease in 1906		481,618.98
Monthly average in 1905		1,206,438.03
Monthly average in 1906		1,166,303.12
Decrease monthly aver. 1906		40,134.91
Daily average in 1905		39,663.71
Daily average in 1906		38,344.24
Decrease daily average 1906		1,319.47

Movement of Jennings Crude in 1906-1905.

RAIL SHIPMENTS.

Month	1906 (Barrels)	1905 (Barrels)
January	694,386	748,760
February	664,632	542,363
March	838,732	654,369
April	775,381	600,155
May	901,462	528,071
June	897,116	432,468
July	1,022,821	352,807
August	787,015	314,822
September	586,051	368,920
October	578,133	481,051
November	387,898	550,226
December	426,958	557,754
Totals	8,560,595	6,131,766
Total increase in 1906		2,429,829
Monthly average in 1906		713,383
Monthly average in 1905		510,980
Increase monthly average 1906		202,403
Daily average in 1906		23,454
Daily average in 1905		16,799
Increase daily average 1906		6,655

NET RAIL MOVEMENT OF JENNINGS CRUDE.

Month	Rail shipment (Barrels)	Transfers to Texas (Barrels)	Net movement (Barrels)
January	694,386	152,618	541,768
February	664,632	105,994	558,638
March	838,732	228,638	610,094
April	775,381	437,296	338,085
May	901,462	396,535	504,927
June	897,116	322,022	575,094
July	1,022,821	317,223	705,598
August	787,015	225,755	561,260
September	586,051	54,141	531,910
October	578,133	35,235	542,898
November	387,898	24,034	363,864
December	426,958	3,415	423,543
Totals	8,560,585	2,302,906	6,257,679
1905 record	6,131,766	1,177,462	4,954,344
Inc. 1906	2,429,819	1,125,444	1,303,335
Monthly aver. net shipments 1906			521,473
Monthly aver. net shipments 1905			412,862
Increase in 1906			108,611
Daily average net shipments 1906			17,144
Daily average net shipments 1905			13,572
Increase in 1906			3,572

DELIVERIES OF JENNINGS CRUDE TO PLAQUEMINE.

(By Evangeline Oil Company.)

Month	1906 (Barrels)	1905 (Barrels)
January	204,000.00	.....
February	68,000.00	.....
March	175,000.00	.....
April	170,540.00	.....
May	208,000.00	34,396
June	212,565.91	118,252
July	210,678.60	151,000
August	199,067.51	187,000
September	180,855.45	165,000
October	189,338.56	175,000
November	182,744.10	191,000
December	196,882.96	182,200
Totals	2,197,673.09	1,203,848
Total increase in 1906		993,825
Monthly average in 1906		183,139
Monthly average in 1905		100,320

Increase monthly average 1906.	82,819
Daily average in 1906.....	6,021
Daily average in 1905.....	3,297
Increase daily average 1906....	2,724

Note.—Deliveries in 1905 did not begin until May.

TOTAL NET MOVEMENT JENNINGS CRUDE.

Month	Barrels 1906	*1905
January	745,768.00	748,760
February	626,638.00	542,363
March	785,094.00	654,369
April	508,625.00	600,155
May	712,927.00	562,467
June	787,659.91	550,720
July	916,276.60	503,807
August	760,327.51	501,822
September	712,765.45	533,920
October	782,236.56	656,051
November	546,608.10	741,226
December	629,425.96	739,954
Totals	8,455,352.09	7,335,614
Transfers to Texas in 1905		1,177,462
Net movement in 1905		6,158,152
Total increase in 1906		2,297,200
Monthly average in 1906		704,612
Monthly average in 1905		513,179
Increase monthly average 1906..		191,433
Daily average in 1906		23,165
Daily average in 1905		16,871
Increase daily average 1906....		6,294

*Transfers included in each month.

DELIVERIES TO BREAUX BRIDGE FROM ANSE-LA BUTTE.

Year	Barrels
1906 (by pipe line)	15,000

SHIPMENTS FROM CADDO.

Year	Barrels
1906 (by rail)	1,510

SHIPMENTS FROM WELSH.

Year	Barrels
1906 (by rail)	1,000

TOTAL LOUISIANA MOVEMENT.

District	Barrels
Jennings	8,455,352.09
Anse la Butte, Caddo and Welsh	17,510.00
Total in 1906	8,472,862.09

TOTAL NET MOVEMENT OF CRUDE FROM SOUTHEAST TEXAS AND LOUISIANA IN 1906.

Month	Barrels
January	1,735,848.45
February	1,838,724.08
March	1,951,823.65
April	1,628,482.76
May	1,955,482.88
June	2,042,275.21
July	2,130,621.74
August	1,752,385.97
September	2,033,137.15
October	1,792,248.31
November	1,633,203.96
December	1,855,755.38
Miscellaneous	118,510.00
Total	22,468,499.54
Total net movement 1905	20,635,408.43
Total increase in 1906	1,833,091.11
Monthly average in 1906	1,872,374.96
Monthly average in 1905	1,719,617.38
Increase monthly aver. 1906.	152,757.58
Daily average in 1906	61,557.53
Daily average in 1905	56,535.37
Increase daily average 1906..	5,022.16

ESTIMATED FIELD AND REFINERY CONSUMPTION IN 1906.

Consumed by	Barrels
Field for fuel	365,000
Refineries	7,300,000
Total	7,665,000
Monthly average field consumption	30,416
Monthly aver. refinery consumption	608,333
Total monthly average	638,749

TOTAL REQUIREMENTS OF SOUTH EAST TEXAS AND LOUISIANA CRUDE.

Month	Barrels: Rail and port movement	Field & refinery consumption	Total requirements
Jan.	1,735,848.45	638,749	2,374,597.45
Feb.	1,838,724.08	638,749	2,477,473.08
March	1,951,823.65	638,749	2,590,572.65
April	1,628,482.76	638,749	2,267,231.76
May	1,955,482.88	638,749	2,594,231.88
June	2,042,275.21	638,749	2,681,024.21
July	2,130,621.74	638,749	2,769,370.74
August	1,752,385.97	638,749	2,391,134.97
Sept.	2,033,137.15	638,749	2,671,886.15
Oct.	1,792,248.31	638,749	2,430,997.31
Nov.	1,633,203.96	638,749	2,271,952.96
Dec.	*1,974,265.38	638,749	2,613,014.38
Totals	22,468,499.54	7,665,000	30,133,499.54

*Includes 118,510 barrels of scattered movement throughout the year.

TOTAL REQUIREMENTS IN EXCESS OF PRODUCTION IN THE GULF COAST REGION.

Mth.	Barrels: Total requirements	Production	Shortage
Jan.	2,374,597.45	1,684,386.39	690,211.06
Feb.	2,477,473.08	1,520,626.50	956,846.58
Mar.	2,590,572.65	1,558,997.88	1,031,574.77
Apr.	2,267,231.76	1,479,218.12	788,013.64
May	2,594,231.88	1,890,181.38	704,050.50
June	2,681,024.21	1,797,775.84	883,248.37
July	2,769,270.74	1,602,707.65	1,166,563.09
Aug.	2,391,134.79	1,602,196.64	788,938.15
Sept.	2,671,886.15	1,294,385.86	1,377,500.29
Oct.	2,430,997.31	1,436,389.79	994,607.52
Nov.	2,271,952.96	1,366,043.84	905,909.12
Dec.	2,613,014.38	*1,415,654.08	1,197,360.30
T'l	30,133,499.54	18,648,563.47	11,484,936.07
Average monthly requirements			2,511,124.96
Average monthly production..			1,554,046.95
Average monthly shortage..			957,078.01
Average daily requirements...			82,557.53
Average daily production.....			51,091.95
Aver. daily shortage in 1906			31,455.58

*Includes production of the small fields scattered throughout the year.

STOCKS AT CLOSE OF 1906.

(Estimated.)	Barrels
Stocks Jan. 1, 1906	20,000,000
Production in 1906	18,648,563
Total available crude in 1906...	38,648,563
Total requirements in 1906.....	30,133,499
Net stocks estimated Jan. 1, 1907	8,515,064

PRODUCTION OF NORTH TEXAS DISTRICTS IN 1905-1906.

CORSICANA.

Light Oil

Month	Barrels 1906	1905
January	28,356.63	27,512
February	26,871.04	23,068
March	27,348.25	27,516
April	27,204.10	25,995
May	29,054.79	27,198
June	28,393.90	26,780
July	29,111.31	26,816
August	27,371.61	26,734
September	28,093.99	26,258
October	30,139.89	25,820
November	26,822.68	24,376
December	27,619.19	23,481
Totals	336,387.38	311,554
Total increase in 1906		24,833
Monthly average in 1906		28,032
Monthly average in 1905		25,963
Increase monthly average 1906...		2,069
Daily average in 1906		921
Daily average in 1905		854
Increase daily average 1906.....		67

POWELL.

Heavy Oil

Month	Barrels 1906	1905
January	18,079.16	9,742
February	22,481.01	10,132
March	32,249.18	9,912
April	43,583.51	11,774
May	59,814.92	10,686
June	71,424.43	10,068
July	78,114.36	10,544
August	76,272.95	10,908
September	72,452.57	10,265
October	74,819.40	10,647
November	65,482.47	12,380
December	61,068.91	15,808
Totals	675,842.87	132,866
Total increase in 1906		542,976
Monthly average in 1906		56,320
Monthly average in 1905		11,072
Increase monthly average 1906...		45,248
Daily average in 1906		1,835
Daily average in 1905		364
Increase daily average 1906.....		1,471

HENRIETTA.

Month	Barrels 1906	1905
January	10,221	5,216
February	10,096	6,313
March	9,983	6,516
April	9,913	7,822
May	9,854	8,664
June	8,776	9,713
July	9,113	8,640
August	8,927	9,967
September	8,865	9,178
October	8,631	8,752
November	8,552	10,562
December	8,141	10,318
Totals	111,072	*101,661
Total increase in 1906		9,411
Monthly average in 1906		9,256
Monthly average i 1905		8,471
Increase monthly average 1906..		785
Daily average in 1906		304
Daily average in 1905		278
Increase daily average in 1906..		26

*Includes 26,069 barrels of oil on hand and unsold on Dec. 31, 1905.

ALL NORTH TEXAS DISTRICTS.

District	Barrels 1906	1905
Corsicana	336,387.38	311,554
Powell	675,842.87	132,866
Henrietta	111,072.00	101,661
Totals	1,123,302.25	546,081
Monthly average in 1906		93,608
Monthly average in 1905		45,506
Increase monthly average 1906...		48,102
Daily average in 1906		3,077
Daily average in 1905		1,497
Increase daily average 1906.....		1,580
Total increase in 1906		577,221

Note.—South Bosque produced a small amount of oil in 1906; probably 1,000 barrels.

TOTAL PRODUCTION OF CORSICANA AND POWELL IN 1905-1906.

Month	Barrels 1906	1905
January	46,435.79	37,254
February	49,352.05	33,200
March	59,597.43	37,429
April	70,787.61	37,769
May	88,869.71	37,884
June	99,818.33	36,848
July	107,225.67	37,360
August	103,644.56	37,642
September	100,546.56	36,523
October	104,959.29	36,467
November	92,305.15	36,755
December	88,688.10	39,289
Totals	1,012,230.25	444,420
Total increase in 1906		567,810
Monthly average in 1906		84,352
Monthly average in 1905		37,035
Increase monthly average 1906		47,317
Daily average in 1906		2,776
Daily average in 1905		1,217
Increase daily average 1906		1,559

MOVEMENT OF JENNINGS CRUDE TO PLAQUEMINE IN 1906.

(By the Evangeline Oil Company)

Month.	Barrels.
January	204,000.00
February	68,000.00
March	175,000.00
April	170,540.00
May	208,000.00
June	212,565.91
July	210,678.60
August	199,067.51
September	180,855.45
October	189,338.56
November	182,744.10
December	196,882.96
Total	2,197,673.09

ALL CRUDE SHIPPED BY RAIL FROM BEAUMONT DISTRICT IN 1906.

(In barrels of 42 gallons)

Month	Santa Fe	K.C.S.	Sunset	Total
January....	5,943	4,500	1,082	11,525
February...	1,643	4,500	1,302	7,445
March.....	1,295	1,714	3,301	6,310
April.....	1,095	....	5,630	6,725
May.....	3,364	3,857	768	7,989
June.....	3,748	3,857	155	7,760
July.....	1,633	2,571	....	4,204
August.....	791	4,071	155	5,017
September..	1,800	3,857	572	6,229
October.....	704	3,000	517	4,231
November...	1,800	1,928	190	3,918
December...	6,151	429	....	6,580
Total...	29,967	34,284	13,572	77,933

BEAUMONT CRUDE DELIVERIES IN 1906.

(By Higgins Oil & Fuel Company.)

Month.	Barrels
January	14,228.39
February	22,758.34
March	20,932.94
April	18,533.00
May	24,517.15
June	27,853.36
July	33,420.18
August	30,590.07
September	21,802.85
October	22,370.12
November	17,289.12
December	16,320.14
Total	270,606.66

PIPEAGE RATES AND PIPE-LINE REGULATIONS.

Following are the schedules of pipeage rates and pipe-line regulations as established by the varion scompanies operating in the Gulf Coast fields:

THE TEXAS COMPANY PIPE LINE NOTICE NO. 17

(Effective Oct. 10, 1905.)

Pipeage Rates Upon Oil Received After Oct. 10, 1905.

Section 1.—On and after Oct. 10, 1905, and until further notice, oil received from producers' se.. ng tanks, connected to our lines, will be subject to the following charges for delivery from the districts named, through the company's lines and racks to tank cars:

To	From Batson-Saratoga	Sour Lake	Beaumont	Humble	Dayton
Humble.....	..	..	..	5	12
Houston.....	..	..	..	10	16
Saratoga.....	5	..	..	..	..
Sour Lake....	8	5	..	17	12
Beaumont....	12	9	5	22	17
Port Arthur..	15	12	8	25	20

Sec. 2.—Points of Delivery. The foregoing rates apply for delivery through this company's facilities, as follows, and not otherwise:

At Saratoga—To the Gulf, Colorado & Santa Fe Railroad.

At Sour Lake.—To the Texas & New Orleans Railroad.

At Beaumont—To the Texarkana & Fort Smith Railroad (Kansas City Southern).

At Port Arthur.—To the Texarkana & Fort Smith Railroad (Kansas City Southern), and to vessels at The Texas Company's docks.

At Humble—To the Houston East & West Texas Railway.

At Houston—To the International & Great Northern Railroad.

Sec. 3.—Special rates will be charged on other deliveries where connections are required. The same rate will apply for either ship or car loading at Port Arthur.

Sec. 4.—Storage rates as fixed by notice dated Jan. 1, 1904, remain unchanged.

THE TEXAS COMPANY,
J. S. Cullinan, President.

Beaumont, Texas, Oct. 10, 1905.

THE TEXAS COMPANY PIPE LINE NOTICE NO. 18.

(Effective Jan. 1, 1906.)

Gravity and Quality of Oil.

First.—On and after Jan. 1, 1906, oil accepted by this company for common stock must be 18 degrees Baume gravity, or above, and contain less than three per cent water and sediment under usual tests.

Second.—Where conditions will permit oil of lower gravity, or containing a greater percentage of water and sediment, may be accepted under special orders from this office.

Third.—In no case will oil showing less 13 degrees Baume gravity, nor more than 15 per cent water and sediment be accepted, for handling through our facilities.

Fourth.—Gaugers will note gravity corrected to 60 degrees and percentage of water and sediment on each run ticket issued by them.

Fifth.—The actual percentage of water and sediment—as shown on run tickets—will be deducted from gross fluid run, in addition to the customary two per cent allowance.

THE TEXAS COMPANY,
J. S. Cullinan, President.

Beaumont, Texas, Dec. 9, 1905.

THE TEXAS COMPANY PIPE LINE NOTICE NO. 19.

(Effective March 15, 1906.)

Pipeage Rates Upon Oil Received on and After March 1, 1906, at Evangeline (Jennings Field), La.

Section 1.—On and after March 1, 1906, and until further notice, oil received from producers' settling tanks, connected to our lines, will be subject to the following charges for delivery from the district named, through the company's lines and racks to tank cars:

From Evangeline District to Lake Charles, La., 15 cents per barrel.

Sec. 2.—Points of delivery. The foregoing rate applies for delivery through this company's facilities, as follows, and not otherwise:

At Lake Charles—To the Kansas City Southern Railway.

Sec. 3.—Storage will be chargeable and payable at the rate of one cent per barrel per month, or 33 1-3 cents per day per 1,000 barrels, on the first of each month, for oil balances on the first day of the preceding month. Storage charges are payable on or before the 15th day of each month. Rules governing pipeage, storage and certificate oil will be furnished on application.

THE TEXAS COMPANY,
J. S. Cullinan, President.

Beaumont, Texas, March 1, 1906.

J. M. GUFFEY PETROLEUM COMPANY, PIPE LINE DEPARTMENT. CIRCULAR NO. 1.

Effective this date, the following will be the charges for delivery of oil through the pipe lines of this company from and to points named:

To	Batson	Saratoga	Sour Lake	Spindletop	Humble
Batson	..	..	..	..	..
Saratoga	..	..	..	..	..
Sour Lake....	8	8	5	..	..
Spindletop ...	12	12	10	5	22
Humble	..	..	..	..	5
Port Arthur..	15	15	12	10	25

Note 1.—Rates to Sour Lake are for delivery on board cars on the rails of the T. & N. O. Ry. Co.

Note 2.—Rates to Spindletop are for delivery on board cars on the rails of the T. & N. O. Ry. Co.

Note 3.—Rates to Port Arthur are for delivery on board vessels at the J. M. Guffey Petroleum Company docks.

Note 4.—Rates to Humble are for delivery on board cars on the rails of the H. E. & W. T. Ry. Co.

C. H. MARKHAM,
General Manager.

Beaumont, Texas, Oct. 11, 1905.

SUN PIPE LINE COMPANY.

(Effective Oct. 1, 1906.)

Pipeage Rates.

To	From Humble	Dayton	Batson	Saratoga	Sour Lake	Spindletop
Dayton	..	8	..	..	..	..
Sour Lake....	15	10	5	5	..	..
Spindletop ...	20	15	10	10	8	5
Sabine Pass...	25	20	15	15	12	8

In addition to the foregoing, a loading charge of five cents a barrel at Sabine Pass is posted, together with a series of through rates from the various districts to Sabine Pass, as folows: From Humble, Dayton, Batson, Saratoga, fifteen cents a barrel; from Sour Lake, twelve cents a barrel, and eight cents a barrel from Spindletop.

CRUDE PRICES.

Quotations on Credit Balances as Posted by the Pipe Lines.

SUN COMPANY.

	Nov. 16.	Nov. 27.	Dec. 4.	Jan. 1.
Spindletop	70	72	73	75
Sour Lake, 20 and up..	68	68	70	73
Sour Lake, 18 to 20....	66	66	68	71
Sour Lake, 17 to 18....	65	65	67	70
Batson, 20 and up.....	65	65	70	73
Batson, 17 to 20.....	62	62	67	70
Saratoga, 20 and up....	65	65	70	73
Humble, heavy.....	70	70	72	75
Dayton, 20 and up.....	65	65	70	73
Dayton, below 20.....	60	60	65	70

J. M. GUFFEY PETROLEUM COMPANY.

	Oct. 8.	Oct. 16.	Oct. 29.	Dec. 1.	Dec. 20.
Sour Lake, light.....	59	62	64	67	70
Sour Lake, heavy....	50	50	50	55	58
Saratoga	52	57.5	60	63	66
Batson, light.....	51	54	60	63	66
Batson, heavy.....	47	50	52	52.5	55.5
Humble	56	60	60	65	68
Spindletop	..	..	68	70	73

Where no figures are given the price remains unchanged.

THE TEXAS COMPANY.

	Aug. 28.	Oct. 6.	Oct. 15.	Oct. 29.	Dec. 1.	Dec. 20.
Sour Lake.....	56	59	62	64	67	70
Saratoga	49	52	57	60	63	66
Humble	53	56	60	62	65	68
Jennings	42	47	54	58	60	63
Shreveport	..	..	..	..	60	63

Above prices do not include loading, storage or other charges on oil shipped by tank car.

EASTERN PRICES.

Pennsylvania	$1.58
Second sand	1.58
Tiona	1.68
Corning	1.10
Newcastle	1.35
Cabell	1.18
Butler, Ohio	1.78
North Lima	.90
South Lima	.85
Indiana	.85
Princeton, Ind.	.64
Casey, Ill.	.64
Somerset	.85
Ragland	.55
Corsicana, light	1.00
Corsicana, heavy	.60
Henrietta, Texas	.60

KANSAS AND TERRITORIES.

32 gravity and over.....	$0.39
32 to 31 1-2 gravity.....	.36
31 1-2 to 31 gravity.....	.33
31 to 30 1-2 gravity.....	.30
30 1-2 to 30 gravity.....	.27
Heavy or fuel oil.....	.26

CANADA.

Petrolia, $1.30, with government bounty; 52 1-2; total $1.82 1-2.

Oil Springs, $1.37, less pipeage, with government bounty 52 1-2; total $1.89 1-2.

JEFFERSON COUNTY LAND TRANSFERS.

American Land & Oil Company to Grover Vanderweg, consideration of $1 and other considerations, dated Dec. 6, 1906, has conveyed a strip of land out of Port Arthur Land Company survey.

American Land & Oil Company to Grover Vanderweg, consideration of $2,032, dated May 1, 1906, has conveyed lots 5, 6, 7 and 8 of block 15 of range F of Port Arthur Land Company Survey, and containing 64.40 acres.

F. E. Adams and J. F. Chilton, receivers of Texas & St. Louis Oil Company, to M. E. Hale, consideration of $1,000, dated Dec. 1, 1906, $300 cash and three notes for the balance, has conveyed two tracts of land as follows: Ten acres and one acre, and both being out of the H. Williams, Jr., Survey.

The Boss Oil Company to D. H. Sims and O. J. Lucas, consideration of $10,200, dated Dec. 31, 1906, has conveyed 160 acres of land beginning at the northwest corner of the R. W. Denny pre-emption survey and described by metes and bounds in deed on file.

J. F. Keith et al. to The Texas Company, consideration of $575, dated Dec. 13, 1906, has conveyed 4.51 acres of land out of the J. W. Bullock League.

NO CHANGE IN GROSS OUTPUT OF GULF COAST REGION. SUMMARY.

PRODUCTION OF SOUTHEAST TEXAS DISTRICTS.

District	Barrels Dec. 14	Dec. 31	Jan. 14
Humble	6,375	6,600	5,800
Batson	7,000	7,000	7,500
Saratoga	9,200	7,000	7,600
Sour Lake	7,500	6,350	6,000
Spindletop	3,100	3,100	3,900
Dayton	375	325	550
Totals	33,550	30,375	31,350

The increase on January 14, compared with December 31, was 975 barrels, and a decrease of 1,200 barrels compared with December 14.

PRODUCTION OF THE DISTRICTS IN LOUISIANA

District	Barrels Dec. 14	Dec. 31	Jan. 14
Jennings	13,475	13,050	12,400
Caddo	250	150	150
Welsh	125	125	125
Totals	13,850	13,325	12,675

The decrease on January 14, compared with December 31, was 650 barrels, and 1,175 barrels compared with December 14.

PRODUCTION OF THE GULF COAST REGION.

District	Barrels Dec. 14	Dec. 31	Jan. 14
Southeast Texas	33,550	30,375	31,350
Louisiana	13,850	13,325	12,675
Totals	47,400	43,700	44,025

The increase on January 14, compared with December 31, was 325 barrels, and a decrease of 3,375 barrels, compared with December 14.

The foregoing tables indicate practically no change in the output of the Gulf Coast region during the first two weeks of January, compared with the last day of 1906. The total yield of all the Southeast Texas and Louisiana districts was estimated at 44,025 barrels on January 14, compared with 43,700 barrels on December 31. These figures show an increase of 325 barrels, which is dissipated, however, owing to the fact that the estimate of the Dayton output on December 31 was 225 barrels too low, rendering practically no change in the general situation on January 14, compared with the close of December.

Jennings declined approximately 650 barrels in output during the first half of January, but the Southeast Texas districts made a gain of 975 barrels, a net increase of 325 barrels. Spindletop made the best showing, with increased production put at 800 barrels, followed by Saratoga, with approximately 400 barrels, and Batson, with [illegible] barrels. Humble declined [illegible] barrels and Sour Lake 350 barrels. Welsh and Caddo are unchanged.

A well at Spindletop that started off at the rate of about 650 barrels a day, subsiding to 450 barrels, the development of a 300-barrel well southeast of the Batson field, which looks like an extension to the east and what is believed to be the tapping of a pay sand in the Humble district about a thousand feet north of the Crosby house in the woods near the tram road, constitute the features of interest in the Gulf Coast region.

Five wells were completed at Spindletop during the first half of January, all of which are producers, including the 450-barrel well of the J. M. Guffey Petroleum Company. Another completion was that of the Fay Oil Company in the southeast corner of block 38 of the old Gladys City, which started off at about 150 barrels. The other completions were small in output. The Guffey well is close to the Higgins pump station. The foregoing record is against three completions in the last half of December, good for eighty barrels. Twenty wells were drilling and three rigs up at Spindletop on January 14, compared with eighteen drilling wells and six locations on December 31, indicating increased development work. More work is now in progress in the Spindletop district than in any other field in the Gulf Coast region.

Eleven wells were completed at Batson during the first half of January—four pumping salt water and seven producers, with a gross output estimated at 715 barrels, including a 300-barrel well by Brice and Bradley on the Newlin and Hamill, southeast of the field. This record compares with seven completions in the last half of December,—two water wells and five producers, with a total yield put at 525 barrels, indicating an increase of four completions in the first half of January and 190 barrels new production. The showing of the Brice and Bradley well has stimulated interest in the Batson district. It is reported that twenty new locations have been made. Nine wells were drilling and six rigs up on January 14, against eight wells drilling and three locations on December 31. Among the completions at Batson was that of the Higgins Oil & Fuel Company on the Paraffine-Batson Syndicate land, good for about 150 barrels. The salt water wells were one by the J. M. Guffey Petroleum Company on the State land, one by the Paraffine Oil Company on the Paraffine forty acres, one by R. F. Allen on the Duff lease and one by Jack Ennis on the Middlebrooks.

The well that is attracting attention at Humble is that of D. R. Beatty. It is stopped in rock at 1,135 feet, after going in about ten feet. After the other went down once, oil gushed fifty feet into the derrick. The well is now plugged. Beatty has bought the Flynn Burns Sullivan and Cleveland leases at $400 each, and offered Baldwin $2,000 for one well now producing twenty-five barrels and a lease covering two acres. The oil from the Beatty well resembles that of the Starlight Oil Company's production on the Holmes, in the northwest, 26 gravity. The territory in which the well is located has long been considered water stuff, and many operators still hold to that belief. Wells that were drilled in this territory made a showing like the Beatty well, but went to water after spouting a little oil. McGaffey-Producers have a new well in the deep sand on the Stevenson in the east, said to have started flowing at the rate of about 300 barrels a day.

Eight wells were completed in the Saratoga district during the first half of January, all producers, with new output estimated at 690 barrels. This record is against three completions in the last half of December, all producers, with new production estimated at 500 barrels. Nine wells were drilling and two rigs up at Saratoga on January 14, against ten drilling wells and four locations on December 31. Among the completions is one by Brice and Bradley on the Saratoga Petroleum strip, flowing about 125 barrels, and two by the J. M. Guffey Petroleum Company on the Mary E. Hopkins, one starting off at the rate of about 300 barrels, settling down to 200 barrels a day, and the other having an initial output of close to 100 barrels, increasing to 250 barrels.

Four wells were completed at Jennings during the first half of January—two salt water and two producers, good for about 375 barrels. This record compares with two completions in the last half of December, good for about 450 barrels. The salt water wells were Bass-Crusel No. 1 and Caffery, Martel and Benckenstein No. 3. Bass-Guffey No. 19 is a producer of about seventy-five barrels, and Crowley Oil & Mineral Company is good for about 300 barrels. There is no increase in development work.

There is nothing new in the wildcat situation. Everything is quiet. Hockley is plugging along—about the only prospect that is being watched just at present, although many other holes are going down in various localities, with no interesting developments.

Two of the three drilling wells in the Caddo district in northwest Louisiana will soon be at an interesting stage. Down about 1,700 feet. Some development work is held in abeyance pending the outcome.

The contract situation is unchanged at 75 to 80 cents. Most of the production of Southeast Texas is tied up on six months' contract at 75 cents. Fuel oil brokers are paying 80 cents for Humble spots. The Sun Company has posted an advance in credit balance all along the line, two cents up for Spindletop, now 75 cents; three cents up on Sour Lake, now 73 cents, and three cents up on all grades of Batson, Saratoga and Humble, while Dayton is up five cents for the heavy and three cents for the light, now 70 and 73 cents, respectively.

FOR SALE.

One No. 5 second-hand Star Drilling Machine, in good condition; complete, with set of cable tools and boiler, $1,400. For particulars, address Oil Well Supply Company, Beaumont or Corsicana, Texas.

PRAIRIE COMPANY INCREASING RUNS—HITCH WITH HITCHCOCK—GULF PIPE SHIPPED.

Runs of crude by the Prairie Oil & Gas Company in the Mid-Continent field during the first week in January amounted to 547,567.49 barrels, or at the rate of 78,223.93 barrels a day. This is an increase of 8,431.60 barrels over the daily average maintained in December—69,792.33 barrels—when the total runs were 2,163,562.61 barrels. Following is the Prairie Company's statement of runs and deliveries in the seven days from January 1 to 7, inclusive.

	Total bbl.	Daily aver.
Runs	547,567.49	78,223.93
Deliveries	430,224.39	61,460.63
Put into tankage	117,343.10	16,763.30

HITCHCOCK WILL NOT APPROVE APPLICATIONS UNDER OLD REGULATIONS.

It appears from reports published in certain Kansas and Indian Territory papers that the Prairie Oil & Gas Company will suspend work on some of its important pipe-line extensions in the Territory as a result of Secretary Hitchcock's refusal to approve various applications for rights of way, in connection with this work. It is the contention of the Prairie people that the papers were filed last fall before the new pipe-line regulations, promulgated by Mr. Hitchcock in December, went into effect, and that the applications should therefore be approved under the old regulations. Mr. Hitchcock, according to report, refused to approve the applications unless the Prairie Company was willing to have the new regulations apply. J. E. O'Neil, vice-president and general manager of the Prairie Company, returned to Independence from Washington last week, and it was announced through the press that as a result of the failure of the Prairie Company and Secretary Hitchcock to get together on the matter, the new work in the Territory would be held up. One of the extensions proposed, and which has been partly completed, is an eight-inch line from Cherokee station, near Ramona, and south of Bartlesville, to Jenks station, at the northeastern boundary of the Glenn field. This line was planned to assist in relieving the congestion in the Glenn pool, where there is a production of probably 40,000 barrels a day in excess of the capacity of present pipe-line facilities.

FIRST SHIPMENT OF PIPE FOR GULF LINE.

Representatives of the Gulf Pipe Line Company, which is installing a gathering system and tankage in the Glenn field, and preparing to lay a pipe line from that point to the Gulf Coast, have made no comment concerning Mr. Hitchcock's new regulations. Both the Gulf Pipe Line Company and The Texas Company are going ahead with their preliminaries, and will start actual construction as soon as the material arrives. Twenty-five or thirty cars of the Gulf Company's main line pipe left the National Tube Company's mill at McKeesport, Pa., about the first of the month. The shipments are being made by rail to New York, thence by water to Galveston, and by rail again to the points of distribution. The Gulf Company has obtained its right of way for 100 miles or more north of Sour Lake, in Hardin County, which is the point from which the surveyors started. It has about completed its survey through Indian Territory to the Red River. The Texas Company is working between the Red River and Dallas, in north Texas, and in the Indian Territory.

The Arkansas & Territorial Oil & Gas Company is said to be constructing a pipe line from its field south of Fort Smith to Fort Smith, Ark., and when it is completed, a line is said to be slated for Little Rock.

Construction work on the new office building of The Texas Company to be erected at the corner of San Jacinto and Rusk Streets in Houston, is expected to begin at an early date. The work of clearing off the dwelling houses has begun.

M. L. Lockwood, who operated in the Beaumont field during the first three years of the development here, and then went to Kansas, arrived from Indian Territory last week, and will be here for some time looking after his production at Spindletop. He is now located at Tulsa, and is having good success with his properties north of that city, near Turley.

GLENN POOL THE FEATURE OF MID-CONTINENT DEVELOPMENT IN 1906.

The most important development in the Mid-Continent region in 1906 was the opening up of the Glenn pool in the Creek Nation, about fourteen miles south of Tulsa, I. T. Robert Galbreath, drilling a wildcat, tapped the very productive sand in this district in November, 1905, but the first big well was not brought in until January, 1906. Since that time about 110 producers have been completed in the Glenn field, having a combined capacity of 55,000 to 60,000 barrels a day. At the rate at which operations are progressing, it will not be long until this pool will show a capacity of 100,000 barrels a day. Some of the wells have shown an initial production exceeding 100 barrels an hour. Wells that yield 1,000 barrels a day are common. An area of ten square miles already has been defined as productive, and drilling has only begun.

The unusual richness of this pool immediately attracted the attention of the interests operating refineries at Port Arthur, in Southeast Texas, with the result that the Gulf Pipe Line Company, affiliated with the Gulf Refining Company, and The Texas Company, are preparing to lay eight-inch pipe lines from the Glenn field to the Gulf coast, in order to supply their refineries with the high-grade crude produced in the Glenn pool. Both companies will install gathering systems and steel storage in the Glenn field—the Gulf Company has about completed its field lines and is building its tankage—and work on the main trunk lines to the south will begin when the material arrives. The first shipment of eight-inch pipe for the Gulf Company's main line left McKeesport, Pa., about the first of the year, and is coming to Galveston, Texas, from New York by vessel. The present year will witness greater activity in the Glenn field, and in the construction of pipe lines and storage, than has ever before been seen in the Indian Territory.

Runs of Kansas-Territory crude by the Prairie Oil & Gas Company amounted to 21,[illegible]4,156.15 barrels in 1906, compared with 11,854,772.04 barrels in 1905, or an increase of 9,339,384.11 barrels. The average monthly runs in 1906 were 1,766,179.68 barrels, against average monthly runs in 1905 of 987,897.67 barrels, or a monthly increase in runs in 1906 of 778,282.01 barrels. The average daily runs in 1906 were 58,066.1[illegible] barrels, compared with daily average runs in 1905 of 33,026.77 barrels, or a daily increase in 1906 of [illegible],039.41 barrels.

The total shipments of the Prairie Company in 1906 were 11,213,556.18 barrels, compared with 3,618,467.24 barrels in 1905, or an increase in 1906 of 7,595,088.94 barrels. The average montaly shipments were 934,463 barrels in 1906, against 301,538.93 barrels in 1905, or an increase in 1906 of 632,924.08 barrels. The daily average shipments in 1906 were 30,7[illegible]22.07 barrels, against 9,916.62 barrels in 1905, or an increase in 1906 of 20,805.45 barrels.

Runs in 1906 in excess of shipments amounted to 9,980,599.97 barrels. Stocks of crude on Jan. 1, 1906, were estimated at 13,250,118.35. On this basis, stocks on Jan. [illegible], 1907, should be 23,230,718.32. The Prairie's statement of stocks on January 1, however, puts the amount in storage at 22,941,034.40, indicating a loss by waste and evaporation of 289,683.92 barrels. The average monthly runs in 1906 in excess of shipments were 831,716 barrels, and the average daily runs in excess of daily average shipments were 27,344.11, indicating that amount of crude went into storage every day throughout 1906.

The following table gives the runs by the Prairie Oil & Gas Company by months in 1906, showing monthly shipments and stocks at the close of 1905 and 1906:

1906	Runs	Shipments	Stocks
Ja.	1,472,213.84	539,008.86	14,168,491.66
Fe.	[illegible],352,531.08	527,994.57	14,966,516.22
Ma.	1,693,182.27	719,319.93	15,923,873.30
Ap.	1,779,251.38	752,625.25	17,085,677.81
M'y	1,741,940.92	802,838.17	18,036,932.87
Jun.	1,688,432.96	642,128.49	19,131,468.24
Jul.	2,022,214.70	668,438.74	20,485,244.30
Au.	1,779,262.49	900,754.91	21,397,248.76
Sep.	1,546,718.86	846,128.83	22,106,673.93
Oct.	2,009,650.23	1,559,520.01	22,302,876.39
No.	1,945,195.20	1,680,928.36	22,399,467.93
De.	1,163,562.22	1,573,870.56	22,941,034.40
T'l	21,194,156.15	11,213,556.18	.....
'05	11,854,772.04	3,618,467.24	13,250,118.35
Inc.	9,339,384.11	7,595,088.94	9,690,916.05

In addition to the stocks of the Prairie Oil and Gas Company, probably 1,500,000 barrels are in private storage in the Mid-Continent region, all produced in 1906. The output of Kansas and the Territories in 1906 was not far from 23,000,000 barrels. According to the United States Geological survey, the output in 1905 was 12,013,495 barrels. The increase in 1906, therefore, was close to 11,000,000 barrels.

MID-CONTINENT FIELD OPERATIONS IN 1906.

Three thousand five hundred and fifty-four wells were completed in the Mid-Continent region in 1906, according to figures compiled from records of the *Oil City Derrick*. Of the total number, 2,626 were producers, 501 dry and 427 gassers, representing an average of 295 completions a month throughout the year—218 producers and 77 dry or gassers. In 1905, 4,020 wells were completed in the Mid-Continent field. The record for last year, therefore, shows a falling off of 466 completions, the decline in operations being due to a desire on the part of operators to bolster up a falling market and bring the output within range of the capacity of existing pipe-line facilities.

The year opened with a 52-cent market and closed at 39 cents. Field work attained its greatest activity in May, when 498 wells were completed—404 producers and ninety-four dry or gassers. Next to May, January holds the record, with 391 completions—315 producers and seventy-six dry or gassers. On the last day of May, 311 wells were drilling and forty-four rigs up, while at the end of January, 238 wells were drilling and thirty-four rigs up.

Oklahoma and Indian Territory are credited with 2,779 completions in 1906—2,266 producers and 513 dry or gassers. An average of 146 wells were drilling and thirty rigs up at the close of each month was the record for the year. May and January were the banner months. Four hundred and four wells were completed in May—346 producers and fifty-eight dry or gassers, with 259 wells drilling and forty-one rigs up at the close of the month. January is credited with 310 completions—264 producers and forty-six dry or gassers, with 196 wells drilling and thirty-two rigs up at the close of the month.

Kansas is credited with 775 completions in 1906—360 producers and 415 dry or gassers. An average of thirty-six wells were drilling and two rigs up at the close of each month throughout the year. May and January were the busiest months. In May, ninety-four wells were completed—fifty-eight producers and thirty-six dry or gassers, with fifty-two wells drilling and three rigs up on the close of the month. January is credited with eighty-one completions—fifty-one producers and thirty dry or gassers with forty-two wells drilling and two rigs up on the close of the month.

OKLAHOMA-INDIAN TERRITORY.

Month	Completed	Dry	Gas	Drilling	Rigs
January	310	37	9	196	32
February	285	41	17	190	23
March	217	29	12	164	27
April	258	25	16	198	48
May	404	39	19	259	41
June	337	40	24	170	45
July	218	29	7	136	44
August	222	32	14	106	20
September	142	19	17	75	10
October	110	30	10	85	15
November	96	9	4	84	30
December	180	20	14	133	32
Totals	2,779	350	163	146	30

KANSAS.

Month	Completed	Dry	Gas	Drilling	Rigs
January	81	12	18	42	2
February	64	14	23	41	1
March	63	15	15	40	4
April	64	16	24	38	..
May	94	13	23	52	3
June	73	14	15	40	..
July	73	15	17	39	..
August	77	18	27	34	2
September	47	11	22	27	..
October	50	9	19	23	1
November	39	5	27	29	3
December	50	9	34	27	0
Totals	775	151	264	36	2

KANSAS-OKLAHOMA-TERRITORY.

Month	Completed	Dry	Gas	Drilling	Rigs
January	391	49	27	238	34
February	349	55	40	191	24
March	280	44	27	204	31
April	322	41	40	236	48
May	498	52	42	311	44
June	410	54	39	210	45
July	291	44	24	175	44
August	299	50	41	140	22
September	189	30	39	102	10
October	160	39	29	108	16
November	135	14	31	113	33
December	230	29	48	160	32
Totals	3,554	501	427	182	32

RECAPITULATION.

Average monthly completions Oklahoma-Territory	231
Average monthly completions Kansas	64
Monthly aver. Mid-Continent region	295
Monthly average dry Oklahoma-Territory	29
Monthly average gas Oklahoma-Territory	13
Total monthly average dry and gas	42
Monthly average dry in Kansas	13
Monthly average gas in Kansas	22
Total monthly average dry and gas	35
Monthly average dry and gas Mid-Continent	77
Month-end average drilling wells and rigs in Oklahoma-Territory	176
Month-end average drilling wells and rigs in Kansas	38
Mid-Continent month-end average drilling and rigs	214

NEW INCORPORATIONS.

Goldthwaite Oil Company of Goldthwaite, Texas; capital stock, $75,000. Incorporators, C. H. Bencini, N. A. Perry, E. B. Harrold, A. J. Gatlin, Will H. Trent and Eli Fairman.

The Bryan Heights Oil Company of Houston filed an amendment to its charter increasing its capital stock from $100,000 to $200,000.

West Columbia Oil Company of Columbia, Brazoria County, Texas; capital stock, $8,000. Incorporators, W. M. D. Lee, F. J. Ciemenger, of Houston; Malley Eastham and C. S. Gordon, of Beaumont; F. N. Bullock, of Columbia.

Santa Fe Oil Company of Tulsa, I. T.; capital stock, $40,000. Incorporators, F. B. Buford and Vena Clay, of Tulsa; J. R. Skinner, of Pawnee, O. T.

The Brandon Oil Company of Pittsburg; to operate in Illinois; total capital stock, $300,000; capital stock in Illinois, $190,000; Illinois headquarters, Casey.

Aline Oil, Gas & Coal Company of Aline, O. T.; capital stock, $500,000. Incorporators, E. R. Clark, E. T. Hollingsworth, J. F. Rush.

Aline Oil & Gas Company of Aline, O. T.; capital stock, $500,000. Incorporators, J. A. Hartshorn, J. M. Sears, J. F. Rush and others.

Cassie Oil Company of Beaumont, Texas; capital stock, $10,000. Incorporators, E. C. Ogden, J. C. Wilson, G. L. Adsit.

Pittsburgers have organized a company under the laws of West Virginia, to be known as the Eagle Oil Company, capitalized at $50,000. The company holds leases on 1,500 acres of territory in Crawford County, Ill., and has a production of about 400 barrels a day. The officers of the company are James C. Gormley, president; Norwood Johnston, vice-president; R. W. Hannan, secretary and treasurer; George P. Murrin, general manager.

Jackson Gulch Oil Company of San Antonio, Texas; capital stock, $15,000. Incorporators, W. G. Moore, George F. Lupton, G. S. McElroy, Charles Baumbarger, Lewis Maverick and Alfred Giles, all of San Antonio.

Reliance Oil Company of Beaumont; capital stock, $100,000. Incorporators, E. C. Wiess, J. P. Barkley, J. M. Lovejoy, all of Beaumont; W. B. Flynn of Humble, Texas.

Pine Island Oil Company of Shreveport, La.; with John Young, president; H. R. Hughes, vice-president, and S. S. Brady, secretary-treasurer.

Continental Petroleum Company of Cleveland O. T., and Tulsa, I. T., has been incorporated with $10,000 capital stock, by J. W. Sloan of Cleveland, J. H. Berry and W. S. McCluskey of Tulsa, I. T.

The Texas-Paraffine Oil Company of Brownwood, Texas, with $100,000 capital stock, to drill for oil and develop other mineral resources in Brown county. C. M. Gearing, Brownwood, is vice-president and field manager; main office, 607 Scollard Building, Dallas, Texas.

Oil Investors' Journal

FIFTH YEAR.

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PETROLEUM AS A FACTOR IN THE PROSPERITY OF THE GULF COAST REGION.

According to data recently compiled, based upon actual records and conservative estimates, it has cost some $56,600,000 to establish and maintain the oil industry of the Gulf Coast region. In round figures, the various items are stated as follows: 3,500 wells at $4,000 each, $14,000,000; 800 miles of main pipe line at $5,000 a mile, including all adjuncts, $4,000,000; 30,000,000 barrels of open and covered ground storage at about 7 cents a barrel, $2,000,000; 12,000,000 barrels of steel storage at 23 cents a barrel, $2,600,000; 2,500 tank cars at $1,200 each, $3,000,000; 5 refineries with a daily capacity of 30,000 barrels of crude, $8,000,000; miscellaneous investments, field equipment, wooden settling tanks, air compressors, etc., $3,000,000; land investment, $5,000,000; total, $41,600,000. The labor expense in the six years from 1901 to 1906, inclusive, has been not less than $15,000,000, bringing the total expenditure up to $56,600,000, or at the rate of nearly $10,000,000 a year. No allowance is made in the foregoing statement for wildcatting, or for the money wasted in refinery propositions, and other ventures, which failed for one reason or another to become a part of the permanent industry. Beaumont has derived a greater measure of benefits from the Gulf Coast oil business than has any other point. Most of the companies and large operators have their headquarters in this city. A canvass on January 7 showed 101 office rooms occupied by oil companies and oil men here. These interests in December, 1906, expended $212,120 for salaries and wages, which went to 2,690 men. December probably was an average month. If it be considered as such, the amount paid out for salaries and wages last year by companies and operators having headquarters in Beaumont was $2,545,440. The development of a new pool gives employment to 3,000 additional men in the field. One company alone employed 1,000 extra laborers and teamsters during the first rush at Batson. There was no new development in 1906, hence the pay roll for that year represented only a normal operating force.

No one will deny, in the face of the foregoing figures, that the oil industry has been and is a large factor in the prosperity of the Gulf Coast country of Texas and Louisiana.

ACCURATE DATA COVERING THE TEXAS-LOUISIANA OIL INDUSTRY IN 1906.

The OIL INVESTORS' JOURNAL presents in this number a complete and accurate resume of the Texas and Louisiana oil industry in 1906. All the data as to production and shipments is from the records, and may be relied upon as being as nearly correct as it is possible to get it. It will be found, on scrutinizing the various tables, that the figures do not agree with the estimates made from month to month throughout the year, but in most instances the estimates were reasonably close to the actual records. In the matter of production, estimates were made on the basis of gross output, whereas the tables show only oil that was run into pipe lines, designated as crude receipts. Fully two-thirds of the crude used for fuel in field boilers was taken directly from producers' tanks, and therefore did not figure in the runs. There is no way of checking this item of consumption. Estimates make the average quantity used on the field for fuel about 3,000 barrels a day. In the summary of production and consumption the amount charged to field consumption is 365,000 barrels, which is at the rate of 1,000 barrels a day. It is estimated that this quantity was taken from stock oil by pipe lines and large operators, and therefore is chargeable to production as recorded by the runs or crude receipts.

To those who co-operated with the JOURNAL and rendered it valuable assistance in the preparation of the 1906 statistics, we extend our sincerest thanks. Such co-operation proves of benefit to the entire oil trade, which is interested in getting reliable data as to the Texas-Louisiana industry.

"EQUAL TO THE BEST."

BROOKLYN, N. Y., Dec. 14, 1906.
OIL INVESTORS' JOURNAL,
Beaumont, Texas.

GENTLEMEN: Inclosed please find money order for $2 to renew my subscription to your journal for 1907. I take the *Oil City Derrick*, *The Petroleum World* of London and THE OIL INVESTORS' JOURNAL. Your journal is equal to the best in the abundance, variety and correctness of its information on petroleum. I thoroughly appreciate the JOURNAL as a live oil paper.

Very respectfully,
(Signed)
JOHN G. JOHNSON, M. D.

DEATH OF DONELSON CAFFERY OF LOUISIANA.

Former United States Senator Donelson Caffery of Louisiana died in New Orleans on December 30. He was 71 years old, having been born in St. Mary Parish, La., in 1835. He served with distinction on the southern side in the Civil War and represented Louisiana in the United States senate from 1893 to 1901. He was a distinguished figure at Washington, and accomplished much for his state during the eight years that he remained at the capital. Senator Caffery's law firm was retained in connection with certain litigation as to titles in the Jennings (La.) oil field in 1901, and as a result of this employment he became heavily interested in the oil business in that region. The properties in which he was part owner have yielded some 16,000,000 barrels of oil since 1904.

The following tribute to Senator Caffery has been contributed to the JOURNAL:

"Former United States Senator Donelson Caffery, who died in New Orleans on December 30, was generally regarded as the strongest man Louisiana has produced in the last half century. He was a gallant soldier in the Confederate Army, a conspicuous leader of his people after the war, an able and upright public officer, a lawyer of unusual ability and an orator of wonderful power. Soon after the discovery of oil in the Jennings field, his firm, D. Caffery & Son, together with Mr. J. Sully Martel, were employed by Arnaudet, Houssiere & Latreille to defend the title to the Cockran tract, which has produced so much oil in the last three years, and which constitutes a large part of the Jennings field. Senator Caffery conducted the trial of this suit in a brilliant manner and was successful in his defense. He was the principal attorney in this litigation. The tribute to his memory by the entire press of his native state is evidence of the commanding position he held universally. He was the Grand Old Man of Louisiana."

"SIXTEEN—WHAT A LOVELY AGE!"

Letter from a lively old lady in New York to her niece in Texas on the occasion of the latter's sixteenth birthday:

"*My Dear* ———:

"This is to wish you a happy birthday—a hundred—no, let's see: you don't want a HUNDRED!—how will fifty do? Yes, fifty—that's better! Well, here's to fifty happy birthdays, and may each succeeding one be better than the last. Let me see—sixteen? Isn't it? What a lovely age! When I was sixteen, and you were—nothing!—wasn't I the whole thing, though! Well, I guess yes! Now you are sixteen and I am—am nothing!—you are the whole thing now—well, I guess yes! And the last sixteen will be as nothing to the next sixteen. How I should like to travel with you through that happy time! Such terribly important things are always happening—as, for instance: A letter from one's best beau in the morning, an invitation to the opera over the telephone, a call in the afternoon, a lovers' quarrel in the evening—followed by days of misery such as nobody else in the whole world ever, ever knew about—and, "I wish I were dead"!!!—With the happy reconciliation in the end, etc., etc., etc. Ah! those are the lovely days of ecstatic thrills down your back, nervous chills all over—in short, an altogether, lovely, awful time in one's life. In spirit (and I don't doubt that is where you much prefer me!) I am with you, and may you come through it and be as sweet as you are now.

"Lovingly,
"AUNT ....."

LOOKING BACKWARD.

I remember, I remember
When eggs were 7 cents,
And we were very happy then
And fat in consequence;
The roosters used to crow at morn
And bid us to the feast,
And O, the sun was glorious,
A-rising in the east!

I remember, I remember
When ham was only 10,
And it was something any one
Could have at table then;
We used to serve it fried with eggs,
Which pleased us very well,
And O, the invitation of
The dear old dinner bell!

I remember, I remember
When bacon was a bit,
And anybody that would work
Could have a slab of it;
We used to cut it very thin
And serve it kind o' hot,
And O, we miss it nowadays
At breakfast time a lot!

I remember, I remember
When butter sold at 8,
And porterhouse was 10 and 12,
And liver only bait;
We used to fish with it beside
The dear old crooked creek,
And O, we never dreamed we'd eat
it later twice a week!

—*Post-Dispatch.*

A test well is being drilled on the John Broocks farm on Pine Island Bayou, between Beaumont and Sour Lake. Gas and oil indications abound in this locality. In a test drilled on the bayou last year a showing of oil was obtained.

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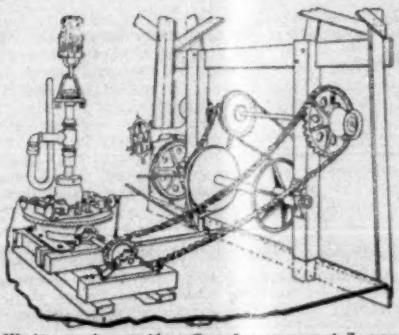

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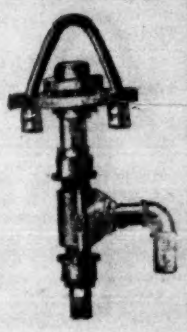

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MATERIAL BENEFITS THAT BEAUMONT HAS DERIVED FROM THE OIL INDUSTRY.

Following is the substance of a paper on "Petroleum in the Gulf Coast Region," submitted by the editor of the OIL INVESTORS' JOURNAL at the annual meeting of the Beaumont Chamber of Commerce on the evening of January 8:

The gulf coast oil industry had its beginning in Beaumont six years ago. Since that time the development of oil has extended ninety miles east to Jennings, La., and seventy-five miles west to Humble, Texas. Beaumont remains the actual and geographical center of the industry. From this city the vast oil business of the gulf coast has been administered, and here most of the oil operators have made their headquarters. Since 1901 there has been invested in the industry over $50,000,000. The items as enumerated are all tangible, and do not include money spent for hot air oil stocks in the booms of 1901 and 1902. The amounts (estimated) are given in round figures:

INVESTMENTS.

3,500 wells at an average cost of $4,000 each	$14,000,000
800 miles of main pipe line, at $5,000 a mile, including all adjuncts	4,000,000
30,000,000 barrels of open and covered ground storage tanks at about 7 cents a barrel	2,000,000
12,000,000 barrels of steel storage at 23 cents a barrel	2,600,000
2,500 tank cars at $1,200 each	3,000,000
Five refineries in the Beaumont-Port Arthur district	8,000,000
Miscellaneous investments, field equipment, wooden settling tanks, air machines, etc	3,000,000
Total investment	$36,600,000
To which may be properly added the cost of oil land and property used in connection with the industry, estimated at	$ 5,000,000
Bringing the total up to	$41,600,000
The labor expense in six years has been not less than	$15,000,000
Making a total of	$56,600,000

which has been expended in establishing and maintaining the oil industry of this region.

VALUE OF OIL PRODUCED.

The amount of oil produced and sold from wells in the gulf coast fields in the last six years is given in round figures as 125,000,000 barrels. For it the producer received approximately $40,000,000. Half of it, 60,000,000 barrels, or more, went to fuel consumers in Texas and Louisiana. This 60,000,000 barrels of oil equaled 17,000,000 tons of coal. It would be a conservative estimate to say that the use of this oil accomplished a saving of $17,000,000, as compared with the cost of 17,000,000 tons of coal. The benefit of cheap fuel to the industries of the entire state is demonstrated by these figures.

That part of the output not consumed for fuel in Texas and Louisiana, excepting about 9,000,000 barrels now in storage, went to the local refineries and by vessel to Atlantic coast points. In the last two years the Beaumont and Port Arthur refineries have shipped from Port Arthur and Sabine more than 8,000,000 barrels of manufactured products, including gas oil, lubricating oil, kerosene, gasoline, asphalt, distillates and fuel oil for export. They have also shipped large quantities of refined products by rail, no record of which is available.

NUMBER OF MEN EMPLOYED, PAY ROLLS AND OFFICE ROOMS USED.

It is almost impossible to calculate the value of the oil industry to Beaumont, or the full extent of the benefits which this city and region have derived from the industry. But to convey some idea of the large part which the industry plays in the prosperity of this city, a few facts will be given as to the number of persons employed by oil companies and operators having headquarters in Beaumont, the monthly payroll at the present time, and the number of office rooms which the oil interests occupy. Right now a majority of the companies in the producing business are carrying a smaller force than usual. Therefore, the figures are conservative and represent the business at low ebb. The development of a new pool would cause the immediate employment of from 2,000 to 3,000 additional men in the field, involving a pay roll of from $5,000 to $8,000 a day—$150,000 to $240,000 a month.

In December the various oil companies and operators with headquarters at Beaumont had on their pay rolls 2,690 men in all departments—office, field, pipe line and refinery forces.

The December pay rolls of these companies and operators amounted to $212,120, or at the rate of $2,545,440 per annum, a greater part of which is expended here in Beaumont.

At present there are one hundred and one office rooms in Beaumont which are occupied by oil companies and oil operators. The monthly rental is not less than $2,000. In addition, one company, the Security, is just now completing, at its plant in South Beaumont, a building to be used exclusively for office purposes, which will cost $20,000 without the furnishings. Two other companies, the Gulf Refining Company and The Texas Company, have their own office buildings at Port Arthur, where their refineries are located.

Associated with the oil industry at Beaumont, are supply houses and machine shops devoted almost exclusively to oil well and field supplies which employ 100 men, with a pay roll of $10,000 a month or $120,000 a year.

THE FUTURE.

In conclusion, it is appropriate to repeat a prediction frequently made by oil men who have familiarized themselves with conditions in the southwest, and that is that the oil industry of Texas is just starting, and that the district from Beaumont to Port Arthur is destined to become one of the greatest refining centers in the world. It is generally known that two companies having headquarters in Beaumont are now working out the preliminaries for pipe lines from the Indian Territory to Port Arthur. These two lines, when completed, will bring from 30,000 to 40,000 barrels a day of high-grade crude to the refineries in this section. With a supply of high-grade crude, the Texas refineries will put their product into successful competition with the best that the eastern refiners can turn out. The market for Texas-made oils will be expanded, and the prosperity of this (Jefferson) County will be largely increased. It will require not less than $8,000,000 to build these pipe lines from the Territory. Beaumont may not get this $8,000,000—but she will get more than that in future benefits, growing out of the construction of the pipe lines.

M. J. Kissick is preparing to put down a test on the Viterbo place about six miles south of Spindletop. Leases have been made on 1,700 acres. A hole was drilled in this territory about three or four years ago, with nothing doing.

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COURT DECISIONS ON OIL AND GAS LEASES.

A lease to explore for oil and gas by drilling a well stipulated that the lessee might abandon the lease and remove the buildings and machinery placed on the premises. The lessee erected a building and placed machinery on the premises, but did not drill a well. After a year the lessor cut up the woodwork of the building into stove wood and sold the machinery. Under these facts the court of appeals of Kentucky, in an opinion handed down in October, that though the lessee was a trespasser with his property, the lessor was guilty of conversion thereof. The case also holds that a lessor in a lease to explore for gas and oil cannot recover damages for the lessee's failure to drill a well without showing that there was oil and gas in the territory to be developed. An oil and gas contract granted the oil and gas in the grantor's land and stipulated that, in case no well was completed within sixty days and a second well within sixty days thereafter, the grant should be void unless the grantee should pay $40 for each year such commencement was delayed. The appellate court of Indiana held, in a recent opinion, the grantee in the contract had the option of continuing to hold the grant, either by drilling wells, or by paying the stipulated sum per year without drilling, and on his delaying the drilling of the wells to the end of the year from the commencement of the delay, it was necessary for him to pay $40 to secure the right to further delay.

It has been held in Pennsylvania that in every gas and oil contract there is an implied condition that no estate passes or rests in the lessee if gas or oil cannot be found after a reasonable effort therefor. As stated by a Pennsylvania case, "the title is inchoate and for the purpose of exploration only until oil is found." But the right to enter upon land to build structures, lay pipe lines and conduits, and the drilling of wells, with all the incidental and implied rights involved in such operations, can hardly be classified as mere license. Where "all petroleum or gas in or under" a certain tract of land, with the "exclusive right to drill and operate upon said premises for said petroleum and gas" for a limited period was granted by a written contract, it was held not to be a license. So in an Illinois case, where the owner of coal land executed a writing giving another the exclusive right to mine coal on such land for a term of years, it was held not to be a mere license or personal privilege, but a license which was assignable. The court, in this case, said: "The law, as we understand it, is that a lease of the right and privilege to mine and take away stone or coal from the lessor's land is a grant of an interest in the land, and not a mere option to take stone or coal."

A license is an authority to do a particular act or acts upon another man's land, without possessing any estate therein. But a lease which "invests the lessee with sole and exclusive right to mine and operate in coal on certain described lands" for a given grants an interest in such land. In an Indiana case the lease granted "all the oil and gas in and under" a described tract of land, together with the right to enter thereon at all times for the purpose of drilling and operating for gas and oil, to erect structures, maintain pipe lines, etc., making a reservation of one-sixth of the oil saved to the land owner. In a suit involving the construction of the lease, the court said: "The right to take such minerals from the land constitutes an interest in the land. The instrument under consideration does not create a mere personal privilege to take the minerals from the land. It is an exclusive and assignable interest in the land. If, with propriety, it can be called a license, it must be a license coupled with an interest in the land." The court also held that the contract did not amount to a grant of land, or a "lease" properly so called, but regarded it as a grant of a right in the nature of an incorporeal hereditament, "operative from the time of its execution and during the accomplishment of its purpose as a transfer of an exclusive right to search for, take and appropriate the minerals mentioned in the instrument," and that it must be held to be a conveyance of an interest in land within the meaning of the statute requiring all conveyances of land or any interest therein to be in writing, etc.

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Where solid minerals, such as coal or stone, are sold or granted in gross, it has been held to be a grant of real estate or a sale outright of so much of the land. In a Pennsylvania case the court said: "A written instrument, though not under seal, granting the privilege of digging all the coal or ore on the vendor's land, is equivalent to a conveyance of the title to the coal or iron in fee. Such a conveyance operates to sever the surface from the underlying stratum of coal. The contention that the right to mine coal in the land of another is an incorporeal one cannot be successfully maintained. The grant of such a right is a grant of an interest in land."

SUPREME COURT DECISIONS.

An oil and gas lease conveyed to the lessee the oil and gas under the lessor's land, bound the lessee to drill a well within two months or to thereafter pay $20 quarterly in advance, and stipulated that the failure to make the quarterly payments should terminate the lease, and that the lessee might at any time reconvey the grant, and thereon the lease should be void. The supreme court of Indiana, in an opinion filed in April, held, in construing this lease, that as oil and gas are not the subjects of conveyance until placed under control by being diverted into artificial channels, and as such leases are customarily made in advance of the demand for the product, oil and gas leases are not ordinary leases, and the stipulation that the lessee might reconvey the grant did not give the lessor the option to terminate the lease at pleasure. The court says: "The peculiar and wandering character of gas and oil precludes ownership in their natural state and hence they are not the subjects of sale and conveyance until they have been reduced to possession and placed under control by being diverted from their natural paths into artificial receptacles. In such cases the real subject of the contract is the mining of the gas, or oil, that may be found, on the terms specified. The preliminary exploring is a mere incident that goes for nothing if unsuccessfull, and unless oil or gas is found in paying quantities, then there is and was not at the inception of the contract, anything to which it could attach. If barren territory is developed, then there is no lease, no continuing contract, no conveyance of title, because nothing to pass under the agreement."

PROPERTY IN OIL AND GAS BEFORE THEY ARE REDUCED TO POSSESSION.

In states where gas and oil operations have been more or less extensive, the question has frequently arisen whether or not a gas and oil contract is of such a nature as to convey or affect an interest in lands, within the meaning of the statue of frauds requiring the same to be in writing, or an assignment thereof to be in writing. It is insisted on the one hand that no title rests or is acquired in gas and oil until they are reduced to possession; that leases for gas and oil operations are primarily for exploration purposes only, and not until the gas or oil have been obtained and produced from the land does any interest in the land itself attach. So it has been frequently held by the courts that gas and oil, being fugitive and transitory in nature, are, in a sense, like wild animals, possessing an independent character which does not make them a part of the land upon which they may be found, and that they must be reduced to possession before any title or ownership therein is acquired. It has also been urged (New York and Indiana) that no interest under a gas and oil lease is acquired in the lease until possession is taken of the land and operations commenced, or even until gas or oil is found. It frequently happens that the lease, by its very terms, indicates that it is merely an option or a mere license which does not vest until acted upon.

If, however, the lease gives the exclusive right to enter on the land, drill and operate for gas and oil, permitting the lessee to erect derricks, construct pipe lines and buildings, acquiring in effect an easement giving the right of ingress and egress, it has been held that such a contract partakes of an interest in real estate. In a Pennsylvania case it was held that by reason of the wandering and fugitive state of gas and oil in the earth, they could not be classified as the subjects of absolute ownership, but that they belong to the owner of the land and form a part of the land, so long as they are in or on the land, and that when they migrate or escape and go upon other land, the title of the original owner is lost. The supreme court in that case said: "They belong to the owner of the land, and are a part of it so long as they are on or in it, and are subject to his control; but when they escape and go into another's land or come into another's control the title of the former owner is gone."

In an Indiana case it was said: "While gas and oil remain in the earth, within their natural reservoirs or pockets, they are parts of the realty itself, as much as are stone, coal, lead or iron or any other solid or substantive mineral; and the sale of the real estate carries with it the ownership to all that lies beneath the soil, which, in case it be stone, coal, lead or iron, vests in the purchaser the absolute ownership therein; while if there is water, oil or gas in or on the land, the purchaser's ownership therein is absolute so long as it remains in or on his land, but when it escapes therefrom it is lost." has been repeatedly held that a life tenant cannot lease the freehold for gas and oil or permit the mining or boring of any oil or gas wells, as well as any coal mines, stone quarries and the like, without the consent of the remainderman, upon the ground that such act or acts would constitute a waste of the freehold.

In a case before the supreme court of Pennsylvania it was held that a gas and oil lease conveyed an interest in real estate. That case involved the rights of a life tenant. The court said: "An oil lease investing the lessee with the right to remove all the oil in place in the premises, in consideration of his giving the lessor a certain percentum thereof, is, in legal effect, a sale of a portion of the land, and the proceeds represent the respective interests of the lessors in the premises. If they be life tenants and remaindermen, the former are entitled to the enjoyment of the fund during life, and at the death of the survivor the corpus of the fund should accrue to the remaindermen." While the life tenants may operate old wells, yet they may not bore new oil or gas wells, even though they may be able to show that the same are necessary to protect the land from being drained by wells upon adjoining or neighboring lands.

"A GREAT HELP."

United States Geological Survey,
Department of the Interior,
MADISON, WIS., Dec. 12, 1906.
OIL INVESTORS' JOURNAL,
Beaumont, Texas.

GENTLEMEN: As I am no longer directly concerned in oil, kindly discontinue the JOURNAL on Jan. 1, 1907. It was a very great help to me in getting out my official report, as well as a source of interest since that time.

(Signed) N. M. FENNEMAN.

Hartford City, Ind., furnishes an illustration of the rapid decline of oil operations in the older sections of the Indiana fields. The last of four of the oil-well supply stores that flourished there for a number of years and did thousands of dollars' worth of business each month, are being closed and the stocks will be distributed among other stores in different sections of the country.

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REVIEW NOTES ON THE GULF COAST OIL INDUSTRY IN 1906.

JANUARY.

Heavy wind storm swept over southeast Texas and southwest Louisiana on the night of the second. Fifty derricks overturned at Sour Lake, 35 at Spindletop, 33 at Jennings and a dozen or so at Batson. Pump stations, machinery house, telegraph and telephone wires damaged. Citizens' Oil & Pipe Line Company of Shreveport, chartered with a capital stock of $3,000,000, to pipe gas from the Caddo field for distribution in Shreveport. Hoskins Mound reported to have developed a paying oil sand. Davis Hill in Liberty County began to attract attention. Jennings oil loaded at Amesville, La., on the Mississippi River, opposite New Orleans, for shipment to New York, by The Texas Company. Strike of oil field workers at Humble. Light oil developed in deep sand about three-quarters of a mile due east of The Texas Company pump station at Humble. T. H. Bass bought the Morse Oil Company property at Jennings, with 2,000 barrels a day production. The Texas Company leased the Evangeline Oil Company's refinery at Port Neches. "Farmer" Dean said there is enough oil under ground in Texas to last a thousand years.

FEBRUARY.

D. B. Cherry brought in a 5,000-barrel black sulphur water well at Davis Hill. Heywood Oil Company got an 8,000-barrel gusher at Jennings, on the Crowley Oil & Mineral Company's farm. Probably 400 men out of work at Humble, owing to decline in operations. The Texas Company completed its six-inch pipe line from Jennings to Lake Charles, and posted credit balance of 25 cents for Jennings crude. J. M. Guffey Petroleum Company developed gusher sand on the B. B. B. and C. at Saratoga at about 1,490 feet. Col. F. W. Weller resigned as vice-president and director of the Security Oil Company, succeeded by O. C. Edwards.

MARCH.

Fire starting in the Shoestring at Sour Lake destroyed 22 standard pumping rigs and equipment, twelve settling tanks of various capacities, consuming small amount of oil and damaging a number of steam plants. The Texas Company took up its four-inch line from the Dayton field to Stilson. Ex-Governor Hogg died on the 3d. Oil pumped into the Jennings-Lake Charles pipe line of The Texas Company. Four-inch pipe line from Anse la Butte to Breaux Bridge on the Bayou Teche completed by the Heywood Brothers Oil Corporation and the Lake Oil Company. Three miles long. Shallow sand development at Humble started. J. M. Guffey Petroleum Company got another big well on the B. B. B. and C. at Saratoga. Gen. S. T. Carnes of Memphis, Tenn., sold his holdings in the Evangeline Oil Company, constituting a majority of the stock, to Pittsburg interests represented in the J. M. Guffey Petroleum Company. The Texas Company began loading Jennings crude from loading racks on the Kansas City Southern at Lake Charles. J. M. Guffey Petroleum Company began loading Saratoga crude from new loading racks at Saratoga on the Santa Fe. The pipe line system of The Texas Company connecting the station at Nederland on the Kansas City Southern with the Evangeline refinery at Port Neches, and a four-inch line from Nederland to The Texas refinery at Port Arthur, six miles, completed. J. M. Guffey Petroleum Company began work at Anse la Butte. Work at Davis Hill suspended.

APRIL.

Rush for the shallow sand at Humble. Commercial Oil Company of Houston completed a six-inch pipe line from Batson to Saratoga. W. T. Campbell died. The Louisiana Company chartered with a capital stock of $1,000,000, to operate the properties of The Texas Company in Louisiana. Heywood Oil Company in Crowley No. 2 at Jennings, wore out twenty bits and dulled 100 more in making forty feet in rock. Mound Oil Company disclosed its hand at Hoskins Mound. Fact made known that in November, 1905, a producing well was completed at 582 feet, starting to flow at the rate of about 3,000 barrels a day, although a 24-hour test had not been made.

MAY.

Four-inch pipe line from Hoskins Mound to Danbury, on the Brownsville Railroad, a distance of about nine miles, completed by the Mound Oil Company and a 30-car loading rack made ready for operation. Sun Pipe Line Company completed a four-inch line from Saratoga to a point of intersection of the Higgins-Paraffine Batson-Sour Lake line, a distance of about 5 1-2 miles. Producers Oil Company leased about 530 acres in the Welsh district. Fourth anniversary of THE OIL INVESTORS' JOURNAL. James R. Garfield, commissioner of corporations, in his report on "Petroleum," found the leading Texas oil interests to be independent. Hockley, in Harris County, attracted attention as prospect.

JUNE.

Bondholders foreclose on the property of the National Oil & Pipe Line Company. George Locke of Lake Charles and H. Masterson of Houston, bought it in for $55,000. Pipe lines made common carriers with expropriation rights in Louisiana, under control of railroad commission. The lower house in the Cuban congress passed a bill placing fuel oil on the free list.

JULY.

Revival of interest in a mid-continent-Gulf pipe line.

AUGUST.

Pine Island, in the Caddo district, in northwest Louisiana, attracted attention. Four derricks and three settling tanks with some oil lost in fire at Sour Lake. Fire at Spindletop swept the Keith-Ward tract, causing a property loss of about $20,000 and cutting out about 500 barrels a day production. The Wilkins Company of Jennings sold out to G. B. Ziegler & Company for 50,000 barrels of oil, or equivalent to about $30,000, the deal including the famous Wilkins well No. 2, which made over 2,700,000 barrels of oil since Nov. 20, 1904, up to date of sale.

SEPTEMBER.

E. M. Tallaferro, district sales manager of the Gulf Refining Company at Houston, accidentally fell from a window in the eighth story of a Houston office building, and almost instantly killed. The Heywood Oil Company paid a quarterly dividend of $5, the largest ever distributed by the company up to that time. Jennings-Heywood Oil Syndicate began installation of eighteen air compressors at Jennings, with a capacity of 11,500 feet per minute, the power to be supplied from a battery of fifty boilers of forty horsepower each. Probably the second largest air plant in the United States. Texas oil-carrying vessels suffer in Gulf and Atlantic Coast storm. Suit filed at Austin by the attorney-general to oust the Waters-Pierce Oil Company from Texas, and for $5,000,000 penalties.

OCTOBER.

The Texas Company increased its capital stock from $6,000,000 to $12,000,000, to enable the construction of an eight-inch pipe line from the Indian Territory to join its pipe line system at Humble, Texas. J. M. Guffey Petroleum Company announced the formation of a plan to move Indian Territory crude by tank cars to the Gulf Refining Company's plant at Port Arthur. Land bought about fifteen miles south of

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Tulsa, I. T., and the erection of storage facilities, installation of gathering system and loading racks, begun. Well on Pine Island opened Caddo field, started flowing at rate of about 300 barrels a day. Capt. H. I. Arnold, manager of the Gulf Refining Company at Port Arthur, resigned to take charge of the J. M. Guffey Petroleum Company in Indian Territory. The Texas Company bought a site for an office building in Houston. C. L. Kerr of Cincinnati, Ohio, selected to succeed the late E. M. Taliaferro, as district sales manager for the Gulf Refining Company at Houston.

NOVEMBER.

Mellon interests of Pittsburg announce plans for an eight-inch pipe line from Indian Territory to the Gulf. The Louisiana Company bought land near Caddo City and began the erection of a pump station and the laying of a pipe line to Pine Island, to handle the output of the new well. Loading racks on the Kansas City Southern Railroad also installed. Capt. W. C. Tyrrell, president of the Heywood Oil Company, leased about 700 acres for his company in the Illinois field. Kennedy Tax Law upheld, but penalty provisions knocked out. The case of the State of Texas vs. the Waters-Pierce Oil Company went over until the March term of court. Buffalo Oil Company announced dissolution.

DECEMBER.

Barge Providence, with a cargo of 18,773 barrels of crude, the property of The Texas Company, lost at sea. Another barge with 4,782 barrels of crude lost on the inner bar at Galveston.

STANDARD MUST STAND TRIAL ON EIGHT INDICTMENTS AT CHICAGO.

Judge K. M. Landis of the federal court at Chicago has overruled eight of the ten demurrers to indictments filed against the Standard Oil Company. The plea of "immunity" by Attorney John S. Miller, of the Standard, based on the contention that the indictments were voted after the new rate law became effective and therefore could not legally be based upon the Elkins law, as they were, was not sustained. The decision forces the Standard to stand trial on indictments which embrace 6,325 counts, and which, under conviction, carry a maximum fine of $125,000,000.

The most important part of the decision is believed to be that the Hepburn bill did not invalidate the indictments by granting immunity for offenses committed prior to June 29, 1906. All the present prosecutions against the Standard are based upon the Garfield report and are substantially brought under the Elkins law. Had Judge Landis decided in favor of the attorneys for the Standard Oil on this point all these prosecutions would have fallen.

By this decision it is made probable that the oil company and the subsidiary companies will be forced to answer to indictments having a total of over 8,000 counts, on which the maximum fine is $20,000 for each count. Besides the indictments in Chicago, there are cases in New York and Missouri. The federal grand jury at Jamestown, N. Y., has returned four indictments, with a total of about 150 counts. These are in the western district of New York and the cases will be tried in Buffalo. The companies involved are the Standard Oil Company of New York, the Vacuum Oil Company, a subsidiary company; the Pennsylvania Railway Company and the New York Central Railway Company. Demurrers to these indictments were argued before Judge Hazel and counsel for the defense raised points similar to those raised by Attorney John S. Miller in Chicago. The demurrers are now under advisement.

The Standard Oil interests, in addition to facing these prosecutions, in which rebating is the feature, are confronted with a dissolution case under the Sherman anti-trust act at St. Louis. The oil company in this case has filed a preliminary motion in which exception to the jurisdiction of the St. Louis court is questioned on behalf of the defendant.

The European Petroleum Union was recently registered at Bremen as a company with a capital of $5,000,000. The promoters of the new company include the firms which are associated with the great naphtha producers, Nobel Brothers of St. Petersburg, and the firm of Rothschild Brothers of Paris, together with the Deutsche bank and others interested in the petroleum industry. The object is to effect an amalgamation of all the European organizations for the sale of petroleum to compete directly with American oils for the supremacy of the continental market.

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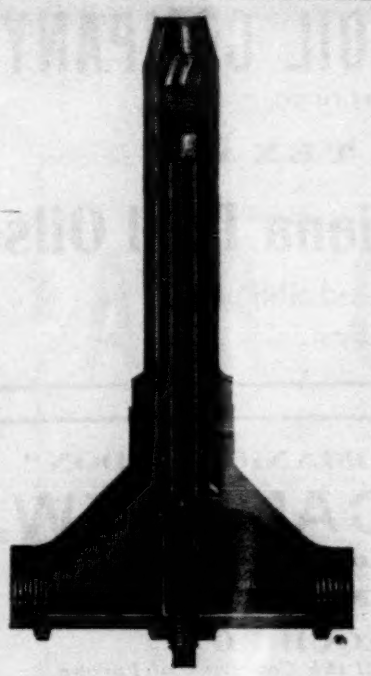

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GOVERNMENT CONTROL OF MINERAL-BEARING LANDS.

An effort to put through legislation favored by President Roosevelt, looking to the control by the government of all petroleum, natural gas, lignite, coal and other mineral deposits within the public domain, will probably be made during the present session of congress. Two bills have already been introduced by Senator Hansbrough of North Dakota to accomplish the wishes of the president, who is supported by Secretary of the Interior Hitchcock.

It is not the purpose of the government, however, to prevent absolutely the development of these deposits, but merely to provide such restrictions that title thereto shall not pass to private individuals, firms or corporations. If the two bills referred to become laws, the government will retain title to all the deposits, but will be in position to lease them to private parties under regulations to be prescribed by the secretary of the interior in much the same manner that Indian lands containing petroleum, asphaltum, etc., are now leased.

Senator Hansbrough's bill reserving to the government the title to what will hereafter be called "fuel-bearing" lands is as follows:

"Be it enacted, etc., That the title to all coal, lignite, petroleum and natural gas deposits within the public domain shall at all times be and remain in the United States, and shall not be conveyed or disposed of to any person, firm or corporation by grant, patent or otherwise.

"Sec. 2. That all grants, patents or other forms of conveyance of the public lands of the United States hereafter made to any person, firm or corporation shall reserve to the United States the title to all coal, lignite, petroleum and natural gas deposits contained in the land so granted, patented, and so forth; Provided, That the provisions of this section shall not apply to any grant, patent or other form of conveyance made by the United States in which the right to such grant, patent or other form of conveyance had become fixed and determined prior to the passage of this act; Provided, further, That the foregoing provision shall not apply when the apparent right to such grant, patent or other form of conveyance has been acquired by fraudulent act.

"Sec. 3. That nothing herein contained shall prevent the owner of any land acquired subject to the exceptions and reservations of this act from using such deposits for his own domestic needs.

"Sec. 4. That all public lands subject to settlement and entry under the public land laws of the United States heretofore withdrawn from settlement and entry on account of coal, lignite, petroleum or natural gas known or supposed to exist therein shall, from and after the passage of this act, be opened to settlement and entry under the public land laws.

"Sec. 5. That all acts and parts of acts in conflict with the provisions of this act are hereby repealed."

It will be noted that this bill does not prevent the sale of fuel-bearing lands, but merely retains to the government title to the fuel deposits thereon, the owners, however, being permitted to supply their domestic needs without payment of royalties.

The leasing of such deposits as may hereafter be reserved to the government is provided for by Senator Hansbrough's second bill, the text of which is as follows:

"Be it enacted, etc., That the secretary of the interior is hereby authorized to enter into leasing contracts for the mining and using of deposits of coal, lignite, petroleum and natural gas contained in any of the public lands of the United States, or any such deposits owned by the United States; all such contracts to be limited as to time, which shall not be for a longer period than ten years.

"Sec. 2. That in all cases in which such deposits are contained in lands to which the title has been conveyed by the United States reserving the title to such deposits, the persons, firms or corporations entering into any leasing contracts with the government for the mining and using of such deposits of coal, lignite, petroleum and natural gas, shall be required to pay the owner or owners of such land a reasonable compensation for the use of any land occupied by such lessee in the mining and using of such deposits.

"Sec. 3. That all moneys received from the leases provided for in this act shall be turned into the reclamation fund as provided by the act of June 17, 1902.

"Sec. 4. That the secretary of the interior is hereby authorized and directed to make such rules and regulations from time to time as may be necessary to carry out the objects and provisions of this act.

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OIL INVESTORS' JOURNAL,
Beaumont, Texas.

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(Signed) D. E. WALLIS.
(D. E. Wallis & Company.)

"Sec. 5. That all acts and parts of acts in conflict with the provisions of this act are hereby repealed."

Both bills were referred to the committee on public lands, which will probably give a series of hearings on the measures before action is taken. Supporters of the administration believe that some sort of legislation, at least, along the lines proposed by Senator Hansbrough, will be passed at this session of congress.—*Washington Correspondent to Paint, Oil and Drug Reporter.*

NEW INCORPORATIONS.

The Sulphur Oil Company of Atlanta, Cass County, Texas; capital stock, $500,000; incorporators, F. M. Green, H. A. Oneal, L. W. Willis, all of Atlanta, A. H. Shipes of Douglasville, Texas, and John S. Hutchins of Quinby, Texas.

The Cassie Oil Company of Beaumont, Texas; capital stock, $10,000; incorporators, E. C. Ogden, J. C. Wilson and G. L. Adsit, all of Beaumont.

Mission Oil Company of San Antonio; capital stock, $100,000; incorporators, P. P. Ingrum, W. J. Moore, J. T. Wilson, F. A. Piper and J. N. Groesbeeck, all of San Antonio.

Franklin Mineral & Oil Wells Company of Franklin and Fort Worth, Texas, has been incorporated with $50,000 capital stock by J. V. French, W. W. Jordan, William R. Booth, M. H. Cook and Hudson Boatner.

LOUISIANA.

Dixon Oil & Pipe Line Company, of Shreveport, recently organized, with S. H. Hunter, president, has purchased for $296,500 the Clide plantation in the Caddo district. Will prospect for oil or gas.

Franklin Oil & Mineral Company of Franklin has been chartered with $10,000 capital stock to develop oil and gas fields. J. Sully Martel is president; D. Caffrey, Jr., vice-president; J. G. Martel, secretary-treasurer.

OKLAHOMA TERRITORY.

New State Gas & Oil Company of Gotebo is developing a gas field near Gotebo; will let contract for the construction of a pipe line from the field to Hobart, a distance of seventeen miles.

Graves Oil Company of Pawhuska has been incorporated with $40,000 capital stock by C. S. McDonald of Pawhuska, Arthur F. Hendren and J. L. Sells of Tulsa, I. T.

ARKANSAS.

Springtown Development Company of Springtown has been incorporated with $5,000 capital stock by G. W. Rouse, W. D. Wasson, George A. Smith, L. N. Dodgen, E. C. King, O. W. Patterson and others, to drill for gas and oil wells.

A story is being told of the discovery at Stockholm, Sweden, of a simple process of producing tar from an oil that bids fair to drive petroleum from the markets of the world. The inventor, it is said, is a Swedish engineer named Medberg. His financial backer is Mr. Asplund, a wholesale merchant of Copenhagen, and the two have secured patents in all industrial countries. The new tar oil has these advantages over kerosene: It is claimed that it is non-explosive, burns without smoke or odor and can be produced at the low cost of about 1 cent per liter. It is said to be a superior substitute, not only for kerosene, but for benzine as well.

It is reported that oil has been discovered in Jefferson County, Georgia, near Louisville, which experts state is of high grade, and a company which has an Atlanta man at its head, has been formed for the purpose of working the territory. The company is known as "The Georgia Petroleum Company." Its officers are: President, Otto G. Tague, Atlanta; vice-president, William F. Little, Louisville, Ga.; secretary-treasurer, L. R. Farmer, Louisville, Ga.; directors, John R. Phillips, Louisville, Ga.; John F. Gilmore, Brooklyn, N. Y., and Wright Hunter, Savannah.

L. HAGER,
CONSULTING GEOLOGIST
Examination of oil properties
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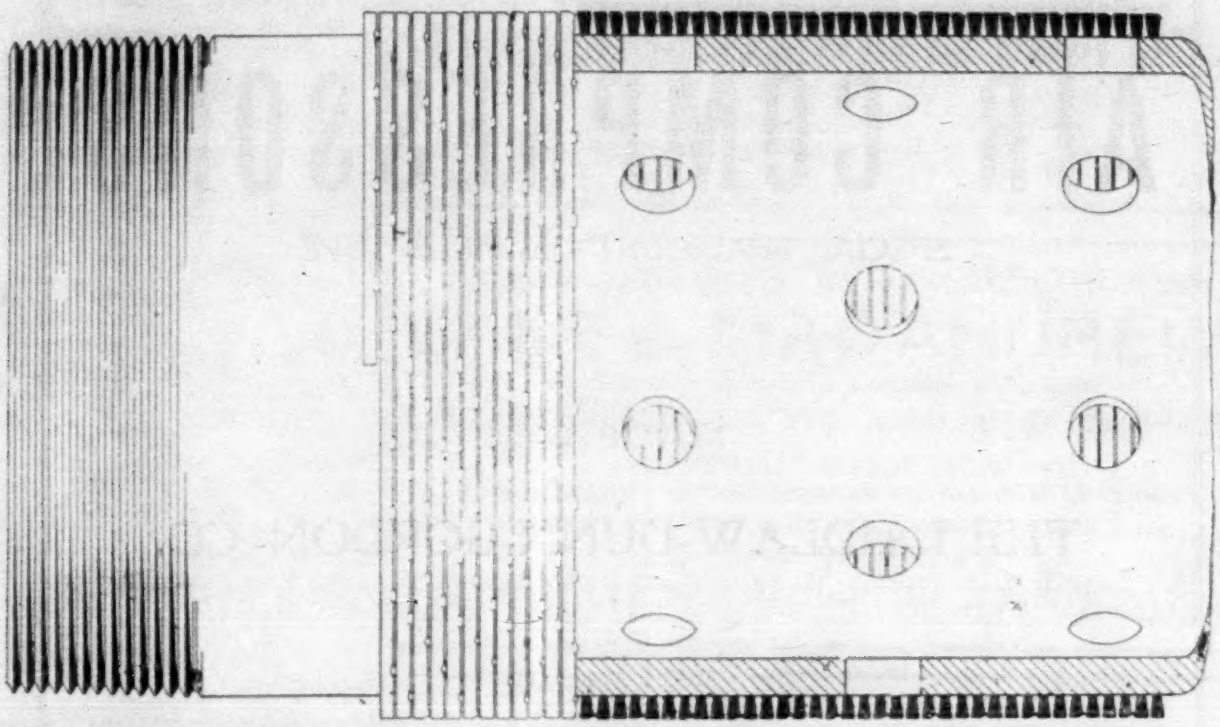

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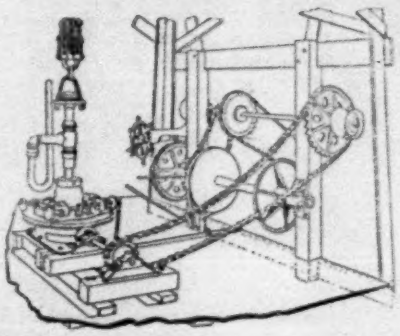

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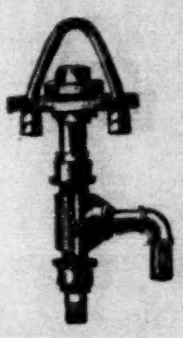

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